(2) Persons desiring to transit the area of a security zone may contact the Captain of the Port at telephone number 415–399–3547 or on VHF–FM channel 16 (156.8 MHz) to seek permission to transit the area. If permission is granted, all persons and vessels must comply with the instructions of the Captain of the Port or his or her designated representative.

(c) *Enforcement.* All persons and vessels shall comply with the instructions of the Coast Guard Captain of the Port or the designated on-scene patrol personnel. Patrol personnel comprise commissioned, warrant, and petty officers of the Coast Guard onboard Coast Guard, Coast Guard Auxiliary, local, state, and federal law enforcement vessels. Upon being hailed by U.S. Coast Guard patrol personnel by siren, radio, flashing light, or other means, the operator of a vessel shall proceed as directed.

Dated: June 3, 2004.

Gerald M. Swanson,

Captain, U.S. Coast Guard, Captain of the Port, San Francisco Bay, California.

[FR Doc. 04–13974 Filed 6–18–04; 8:45 am]

BILLING CODE 4910–15–P

DEPARTMENT OF COMMERCE

Patent and Trademark Office

37 CFR Part 1

[Docket No. 2004–P–036]

Explanation of 37 CFR 1.703(f) and of the United States Patent and Trademark Office Interpretation of 35 U.S.C. 154(b)(2)(A)

AGENCY: United States Patent and Trademark Office, Commerce.

ACTION: Interpretation.

SUMMARY: The United States Patent and Trademark Office (Office) recently published a final rule revising the patent term extension and patent term adjustment provisions of the rules of practice. This document further explains the Office's policy since 2000 concerning one of the patent term adjustment provisions of the rules of practice.

DATES: *Applicability:* The patent term adjustment provisions of the rules of practice apply to all original (non-reissue) applications, other than for a design patent, filed on or after May 29, 2000, and to patents issued on such applications.

FOR FURTHER INFORMATION CONTACT: Kery A. Fries, Legal Advisor, Office of Patent Legal Administration, by telephone at (703) 305–1383, by mail addressed to: Mail Stop Comments—Patents, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313–1450, or by facsimile to (703) 746–3240, marked to the attention of Kery A. Fries.

SUPPLEMENTARY INFORMATION: The Office recently published a final rule revising the patent term extension and patent term adjustment provisions of the rules of practice in title 37 of the Code of Federal Regulations (CFR). *See Revision of Patent Term Extension and Patent Term Adjustment Provisions*, 69 FR 21704 (Apr. 22, 2004), 1282 *Off. Gaz. Pat. Office* 100 (May 18, 2004) (final rule). The primary purpose of this final rule was to revise the rules of practice in patent cases to indicate that under certain circumstances a panel remand by the Board of Patent Appeals and Interferences shall be considered ''a decision in the review reversing an adverse determination of patentability'' for purposes of patent term extension or patent term adjustment. *See* 69 FR at 21704, 1282 *Off. Gaz. Pat. Office* at 100.

This final rule, however, also adopted other miscellaneous changes to the patent term adjustment regulations. *See* 69 FR at 21704, 1282 *Off. Gaz. Pat. Office* at 100. One such miscellaneous change was a slight revision to 37 CFR 1.703(f) so that its language would more closely track the corresponding language of 35 U.S.C. 154(b)(2)(A). The explanatory text concerning 37 CFR 1.703(f) indicated that:

> The language of former § 1.703(f) misled applicants into believing that delays under 35 U.S.C. 154(b)(1)(A) (§§ 1.702(a) and 1.703(a)) and delays under 35 U.S.C. 154(b)(1)(B) (§§ 1.702(b) and 1.703(b)) were overlapping only if the period of delay under 35 U.S.C. 154(b)(1)(A) occurred more than three years after the actual filing date of the application.[1] If an application is entitled to an adjustment under 35 U.S.C. 154(b)(1)(B), the entire period during which the application was pending before the Office (except for periods excluded under 35 U.S.C. 154(b)(1)(B)(i)-(iii)), and not just the period beginning three years after the actual filing date of the application, is the period of delay under 35 U.S.C. 154(b)(1)(B) in determining whether periods of delay overlap under 35 U.S.C. 154(b)(2)(A).

[1] Another way of explaining this is: Based upon the contentions presented in a number of patent term adjustment petitions under 37 CFR 1.705, it has become apparent to the Office that some applicants did not fully appreciate that delays under 35 U.S.C. 154(b)(1)(A) (§§ 1.702(a) and 1.703(a)) and delays under 35 U.S.C. 154(b)(1)(B) (§§ 1.702(b) and 1.703(b)) may still be overlapping delays under 35 U.S.C. 154(b)(2)(A), even if the period of delay under 35 U.S.C. 154(b)(1)(A) did not occur more than three years after the actual filing date of the application.

See 69 FR at 21706, 1282 *Off. Gaz. Pat. Office* at 101. The Office has subsequently determined that there is a need for further explanation of the meaning of this statement.

35 U.S.C. 154(b)(2)(A) provides that: ''[t]o the extent that periods of delay attributable to grounds specified in paragraph (1) [*i.e.*, 35 U.S.C. 154(b)(1)] overlap, the period of any adjustment granted under this subsection shall not exceed the actual number of days the issuance of the patent was delayed.'' *See* 35 U.S.C. 154(b)(2)(A). The Office revised 37 CFR 1.703(f) in this final rule to read ''[t]o the extent that periods of delay attributable to the grounds specified in § 1.702 overlap, the period of adjustment granted under this section shall not exceed the actual number of days the issuance of the patent was delayed.'' *See* 69 FR at 21711, 1282 *Off. Gaz. Pat. Office* at 106. Therefore, the change to 37 CFR 1.703(f) in this final rule makes its language track the language of 35 U.S.C. 154(b)(2)(A).

The change to 37 CFR 1.703(f) in this final rule and the accompanying explanatory text in the supplementary information section of this final rule was not a substantive change to 37 CFR 1.703(f) or a change to the Office's interpretation of 35 U.S.C. 154(b)(2)(A). This change was simply a restatement of the position taken by the Office when implementing the patent term adjustment provisions of the American Inventors Protection Act of 1999 (AIPA)[2] in 2000. Specifically, the Office has consistently taken the position that if an application is entitled to an adjustment under the three-year pendency provision of 35 U.S.C. 154(b)(1)(B), the entire period during which the application was pending before the Office (except for periods excluded under 35 U.S.C. 154(b)(1)(B)(i)-(iii)), and not just the period beginning three years after the actual filing date of the application, is the relevant period under 35 U.S.C. 154(b)(1)(B) in determining whether periods of delay ''overlap'' under 35 U.S.C. 154(b)(2)(A).

The position set forth in the supplementary information section of this final rule is also consistent with the section-by-section analysis[3] of 35 U.S.C.

[2] Pub. L. 106–113, 113 Stat. 1501, 1501A–552 through 1501A–591 (1999).

[3] The AIPA is title IV of the Intellectual Property and Communications Omnibus Reform Act of 1999 (S. 1948), which was incorporated and enacted into law as part of Pub. L. 106–113. The Conference Report for H.R. 3194, 106th Cong., 1st. Sess. (1999), which resulted in Pub. L. 106–113, does not contain any discussion (other than the incorporated language) of S. 1948. A section-by-section analysis of S. 1948, however, was printed in the

Continued

154(b)(2)(A)). The section-by-section analysis of 35 U.S.C. 154(b)(2)(A) indicates that periods of delay overlap where there are multiple grounds for extending the term of a patent that exist simultaneously.[4]

The position set forth in the supplementary information section of this final rule has been the Office's position since the implementation of the AIPA, as shown (for example) by the numerous Office presentations on the AIPA in 2001 which included an example [5] illustrating this position. Specifically, this example demonstrates that a two-month delay in issuing a first Office action (35 U.S.C. 154(b)(1)(A)(i)) and a two-month delay in issuing the patent (35 U.S.C. 154(b)(1)(B)) were considered overlapping delays, even though the two-month delay in issuing the first Office action occurred prior to three years (thirty-six months) after the application's filing date. This is because if the Office does not issue a patent until three years and two months (thirty-eight months) after its filing date, the relevant period in determining the Office delay in issuing the patent is not just the period between three years (thirty-six months) after the application's filing date and the date the patent issues (at thirty-eight months after the application's filing date), but is the entire period between the application's filing date and the date the patent issues.

Furthermore, delays resulting in the Office's failure to meet the time frames specified in 35 U.S.C. 154(b)(1)(A) (the ''fourteen-four-four-four-'' provisions) are not always overlapping with a delay resulting in the Office's failure to issue a patent within the three-year time frame specified in 35 U.S.C. 154(b)(1)(B) because not all application pendency time is counted toward this three-year period. *See* 35 U.S.C. 154(b)(1)(B)(i)–(iii). This situation is illustrated by an example in which: (1) The Office meets the ''fourteen-four-four-four'' time frames specified in 35 U.S.C. 154(b)(1)(A) but does not mail a final rejection until thirty-seven months after the application's filing date [6]; (2) a RCE [7] (with a reply to the final rejection) is filed at forty months after the application's filing date; (3) the Office issues a notice of allowance under 35 U.S.C. 151 at forty-four months after the application's filing date; (4) the issue fee is paid at forty-seven months after the application's filing date; and (5) the Office issues the patent at fifty-three months after the application's filing date.[8] In this example, the applicant would be entitled to a patent term adjustment of four months due to the Office's failure to issue a patent within three years,[9] plus a patent term adjustment of two months due to the Office's failure to issue a patent within four months after the issue fee has been paid and all outstanding requirements have been met, for a total patent term adjustment of six months. The delay due to the Office's failure to issue a patent after the issue fee has been paid and all outstanding requirements have been met within the four-month time frame specified in 35 U.S.C. 154(b)(1)(A)(iv) does not ''overlap'' with the three-year time frame specified in 35 U.S.C. 154(b)(1)(B) because the period subsequent to the filing of the RCE is not included in the three-year time frame specified in 35 U.S.C. 154(b)(1)(B). *See* 35 U.S.C. 154(b)(1)(B)(i). Thus, the Office does not interpret 35 U.S.C. 154(b)(2)(A) as permitting either patent term adjustment under 35 U.S.C. 154(b)(1)(A)(i)–(iv), or patent term adjustment under 35 U.S.C. 154(b)(1)(B), but not as permitting patent term adjustment under both 35 U.S.C. 154(b)(1)(A)(i)–(iv) and 154(b)(1)(B).

This document 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 collection of information involved in this notice has been reviewed and previously approved by OMB under OMB control number 0651–0020. The United States Patent and Trademark Office is not resubmitting an information collection package to OMB for its review and approval because this document does not affect the information collection requirements associated with the information collection under OMB control number 0651–0020.

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.

Authority: 35 U.S.C. 154(b).

Dated: June 14, 2004.

Jon W. Dudas,

Acting Under Secretary of Commerce for Intellectual Property and Acting Director of the United States Patent and Trademark Office.

[FR Doc. 04–13765 Filed 6–18–04; 8:45 am]

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Congressional Record at the request of Senator Lott. *See* 145 Cong. Rec. S14,708–26 (1999) (daily ed. Nov. 17, 1999).

[4] The section-by-section analysis of 35 U.S.C. 154(b)(2)(A) specifically provides that:

Section 4402 imposes limitations on restoration of term. In general, pursuant to [35 U.S.C.] 154(b)(2)(A)–(C), total adjustments granted for restorations under [35 U.S.C. 154](b)(1) are reduced as follows: (1) To the extent that there are multiple grounds for extending the term of a patent that may exist simultaneously (*e.g.*, delay due to a secrecy order under [35 U.S.C.] 181 and administrative delay under [35 U.S.C.] 154(b)(1)(A)), the term should not be extended for each ground of delay but only for the actual number of days that the issuance of a patent was delayed; *See* 145 Cong. Rec. S14,718.

[5] The PBG (Patent Business Goals) and AIPA Rulemaking and Patent Examination Guidelines Training and Implementation Guide (August 2001 Supplement) contains a slide presentation (this slide presentation can be found on the Office's Internet Web site at: *http://www.uspto.gov/web/patents/pbgaipaguide/aipa.htm)*, in which slide 19 provides an example that indicates this interpretation of the provisions of 35 U.S.C. 154(b)(2)(A). In the example shown in slide 19, the Office did not issue a first action until sixteen months after the application's filing date, thus missing the fourteen-month time frame in 35 U.S.C. 154(b)(1)(A)(i) by two months (shown in red), and the Office did not issue the patent until thirty-eight months after the application's filing date, thus missing the three-year (thirty-six-month) time frame in 35 U.S.C. 154(b)(1)(B) by two months. The slide is used to demonstrate that for an application entitled to an adjustment under the three-year pendency provision of 35 U.S.C. 154(b)(1)(B), the Office considers the entire period during which the application was pending before the Office (shown in green), and not just the period beginning three years after the actual filing date of the application, to be the relevant period under 35 U.S.C. 154(b)(1)(B) in determining whether periods of delay ''overlap'' under 35 U.S.C. 154(b)(2)(A)). In this situation, the relevant periods under 35 U.S.C. 154(b)(1)(A)(i) and 35 U.S.C. 154(b)(1)(B) ''overlap'' under 35 U.S.C. 154(b)(2)(A), resulting in the applicant being entitled to a patent term adjustment of only two months.

[6] Meeting the ''fourteen-four-four-four'' time frames specified in 35 U.S.C. 154(b)(1)(A) but not meeting the three-year time frame in 35 U.S.C. 154(b)(1)(B) may occur if there are numerous non-final Office actions.

[7] A request for continued examination under 35 U.S.C. 132(b) and 37 CFR 1.114.

[8] Thereby missing one of the ''fourteen-four-four-four-'' month time frames specified in 35 U.S.C. 154(b)(1)(A) by two months: specifically, the four-month time frame in 35 U.S.C. 154(b)(1)(A)(iv) for issuing a patent after the issue fee has been paid and all outstanding requirements have been met.

[9] For purposes of determining patent term adjustment under 35 U.S.C. 154(b)(1)(B), the application will be treated as having been issued at forty months after its filing date because the period subsequent to the filing of the RCE is not included in the three-year time frame specified in 35 U.S.C. 154(b)(1)(B).