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If you have any questions about this alert or the PTO's continuation rules, please contact your Foley attorney or any of the following Intellectual Property Department attorneys:

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USPTO Issues Final Rules Limiting Continuations and Number of Claims

Today, the United States Patent and Trademark Office (USPTO) issued its final rules limiting continuations and the number of claims. While the rules will not take effect until November 1, 2007, some aspects will impact applications that already are pending. The lengthy rules package is complex and highly detailed. This alert provides a general summary highlighting key provisions of the rules and identifying steps applicants may and may not need to take before November 1. A more in-depth discussion of the rules will take place during Foley's Patent Nation Web conference scheduled for next week, the details of which will be forthcoming.

Limit of Two Continuations Plus One RCE ("2+1 Limit")

The final rules allow two continuations (including continuations-in-part) plus one request for continued examination (RCE) — which may be filed in the original application or one of the continuations — as a matter of right without any justification in new applications that have not yet had any continuations or RCEs filed.

Retroactivity

The continuations limit is retroactive in that applications filed before November 1, 2007 will count towards the continuations limit that will apply to any continuation filed on or after November 1, 2007.

There is a one-time exception for applications that only claim priority to nonprovisional applications that were filed before August 21, 2007, where no other U.S. applications filed on or after August 21, 2007 claim priority to the same prior application. For this subset of applications, one (and only one) additional continuation application can be filed without complying with the new rules, even after November 1, 2007.

The one RCE limit is retroactive. Thus, if an RCE has been filed prior to November 1, 2007 in the application in question or in any of its parent applications or child applications, then no further RCE may be filed without justification.

Further Continuations and RCEs Permitted Under “Could Not Have Been Submitted Earlier” Standards

The final rules provide that further continuations or RCEs will be permitted to obtain consideration of an amendment, argument, or evidence only upon a petition with a showing that the amendment, argument, or evidence “could not have been submitted during the prosecution of the prior-filed application.” The final rules do not offer any guidance as to circumstances that will satisfy this standard.

Serial Divisionals Pursuant to Restriction Are Permitted

The final rules strictly define divisional applications with reference to a restriction requirement, and do not count divisionals against the continuation limits. The final rules allow serial divisionals, which is consistent with current practice and different from the proposed rules. Therefore, an applicant may delay filing of divisionals and may file multiple divisionals in series as long as a prior application in the priority chain remains pending.

2+1 Limit Applies to Each Divisional

Each divisional application is entitled to two continuations plus one RCE as a matter of right.

Limit of Five Independent Claims/Twenty-Five Total Claims

Each application is permitted to contain up to five independent claims and up to 25 total claims. If more than five independent

claims or more than 25 total claims are included in the application, then a burdensome “Examination Support Document” (ESD) will be required, and must be filed before the first Office Action on the merits. If no ESD is filed before the first Office Action on the merits, the application may not be amended to include more than five independent claims or more than 25 total claims.

The 5/25 limits are applied after any Restriction Requirement is imposed, such that nonelected and withdrawn claims are not counted. However, if a Restriction Requirement is withdrawn and nonelected claims are rejoined, the 5/25 limits will apply to the total number of claims after rejoinder.

No Rush to File Continuations Before November 1, 2007

Reflexively filing numerous continuations now, before the rules take effect on November 1, may not provide any benefit because the new rules will require applicants to limit “patentably indistinct” claims to a single application under certain circumstances. Thus, applicants planning to file continuations in advance of November 1 should consider the extent to which the claims are patentably distinct from claims already pending in other related applications.

Filing numerous applications also will not avoid the claim limit rules because the new rules state that the USPTO will count “patentably indistinct” claims filed in more than one application as if they were filed in both applications when counting claims.

Consider Filing RCE Before November 1, 2007

Applicants facing a final rejection should consider filing an RCE prior to November 1, 2007. If an RCE already has been filed in

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the application, any parent application, or in any application that claims priority to the same parent application, an RCE will not be permitted after November 1, 2007 without justification. Thus, if any new amendments or evidence are to be submitted, it may be advisable to file an RCE before November 1, 2007.

Look for further details on more in-depth analysis of implications in Foley's upcoming Patent Nation Web conference and a follow-up alert.

For further details of the new rules, participate in the USPTO's special two-hour Webinar on Thursday, August 23, 2007, at 1:00 p.m. EDT. Register for the USPTO Webinar online at uspto.gov.