



## **USPTO NEW CLAIMS AND CONTINUATIONS RULES FREQUENTLY ASKED QUESTIONS OCTOBER 2007**

The new United States Patent and Trademark Office (USPTO) Claims and Continuations Rules have generated many questions from those who are actively involved in building intellectual property (IP) assets in the legal and corporate world. What follows are answers to client questions and those received during Foley's Patent Nation Web Conference, "USPTO Director Jon Dudas and IP Professionals Discuss New USPTO Claims and Continuations Rules and Their Practical Implications." The session was held on September 12, 2007. The responses include comments from:

- Jon W. Dudas, Under Secretary of Commerce for Intellectual Property, and Director of the USPTO
- Bob Bahr, Senior Patent Counsel, Office of the Deputy Commissioner for Patent Examination Policy, USPTO
- [Courtenay Brinckerhoff](#), [Steve Fox](#), [Steve Maebius](#), [Phil Kiko](#), and Simon Elliott, Foley

### **General Questions on the New Claims and Continuations Rules (From an exchange between Jon Dudas, Director of the USPTO, and Phil Kiko of Foley)**

#### **Why not limit the new rules to new families?**

The USPTO has previously applied rules retrospectively, affecting pending families. The USPTO believes that applying these rules to all applications will improve most rapidly patent quality, and failure to apply to all will result in a lag before they can see the positive results of the rule changes. (Jon Dudas)

#### **The USPTO received some very strong comments in response to its proposed rules, and there is a concern that the comments have not been adequately reflected in the rulemaking. Will there be a chance to comment further?**

The USPTO took a year to consider extensively the more than 500 comments received, and changed the rules pretty dramatically from those originally proposed. For example, the requirement for representative claims was changed to the "5/25" rule and the limitations on continuation practice were relaxed and do not apply to divisionals. The USPTO is always interested in further comments as the impact of the new rules becomes clearer. (Jon Dudas)





**How are examiners being trained to cope with the new rules, and how is the USPTO planning to deal with the increase in appeals that some predict?**

Training on the new rules has been planned for a long time and will occur before the November 1, 2007 date, with additional “nuts and bolts” training for specific technology centers.

If there is an increase in the number of appeals, the USPTO will increase staffing levels and has already looked at plans to do so. (Jon Dudas)

**What do you predict will be the effect on inventors and companies in monetizing their patents?**

The new rules will make the patenting process more effective and efficient, and will increase patent quality. Higher-quality patents are easier to monetize. Faster prosecution will get inventions out into the world faster. The requirements of better-prepared applications and faster, more focused prosecution will create less estoppels. All in all, the new rules are good for patent owners and the public in general. (Jon Dudas)

**Continuations/Requests for Continued Examinations (RCEs)**

**Can applicants file any number of continuations in the same patent family prior to November 1, 2007?**

Yes. The new rules do not take effect until November 1, 2007, so any continuations filed before then do not have to comply with the “two continuations” limit. However, any continuations filed now will count towards the two that will be permitted as a matter of right as of November 1; and any continuations filed on or after August 21, 2007 will count as the “one more” that is permitted for patent families that already meet or exceed the two continuations limit. Thus, filing continuations before November 1, 2007 will limit or eliminate the ability to file continuations as a matter of right as of November 1, 2007. (Foley)

**What are the standards that will be used to decide petitions for an additional continuation or RCE?**

The USPTO may permit a further continuation or RCE if the amendment, argument, or evidence to be submitted in the continuation/RCE “could not have been presented” earlier. The USPTO responses to comments published with the final rules provide specific examples of circumstances that may and that may not satisfy this standard. (Foley)





**What scenarios provide adequate justification for a grantable petition to file extra continuations or RCEs beyond the 2+1 limit? When would it be a “slam dunk?”**

Nothing is a slam dunk, and the USPTO assumes that all requirements for continuations and RCEs would be handled within the allowed 2+1 limit. The petitions are for situations that could not have been anticipated at the time of entering prosecution. A lot of the commentary (comments 77-102) centers on specific situations in which a petition would not be accepted. (Bob Bahr)

**If an RCE already has been filed in an application family, can an RCE be filed before November 1, 2007?**

Yes. The new rules do not take effect until November 1, 2007, so any RCEs filed before then do not have to comply with the “one RCE” limit. Of course, any RCE must be filed within the applicable response period set in the final Office Action. (Foley)

**If an RCE already has been filed in an application family, is there any reason not to file an RCE before November 1, 2007?**

If an RCE already has been filed in an application family, and the desired after-final response strategy includes the submission of claim amendments or new evidence, applicants may want to consider filing the response with an RCE prior to November 1, 2007 in order to ensure entry of the new amendments or evidence. If the desired response strategy does not include the submission of claim amendments or new evidence, then an RCE may not be necessary, although it could provide a means to permit further negotiations with the examiner without the constraints of after-final practice. If a Notice of Appeal has been filed, the filing of an RCE would, in effect, withdraw the Appeal, which may not be desirable. (Foley)

**Looking at comments 77-102, it is surprising what the USPTO does not regard as adequate justification. If you discover a competitor’s published application and want to copy claims to provoke an interference, this is not an adequate justification.**

Correct, this situation alone would not be sufficient justification. The USPTO will look at the overall situation to determine whether the applicant did not file judiciously up-front and, therefore, would not be entitled. (Bob Bahr)

**Could you copy the claims into a pending case, and then, if the claims are refused entry, would that give rise to an opportunity to file beyond the limit?**

The USPTO would want to see the claims added into a pending case first. (Bob Bahr)





**Can the USPTO explain why the rules count bypass continuations of Patent Cooperation Treaty (PCT) applications differently depending on whether a demand was filed in the PCT application?**

In the original proposed rules there was no exception but, under the new rules, there is the exception for a PCT in which a demand is not filed. Because filing a demand and then filing a bypass continuation requires the USPTO to conduct a search and examination each time, they constitute two cases for the USPTO and so are counted as such. (Bob Bahr)

**Many PCTs are filed by non-U.S. inventors, who use the PCT demand process to facilitate examination in nations that do not have such robust examination procedures as are found in the United States and Europe, for example. Did the USPTO consider this penalty for filing a demand, especially if they file in a receiving office other than the United States, in which the filing of a demand does not impact the USPTO?**

The USPTO did consider this. The number of demands filing PCTs has decreased dramatically, and the filing of a demand in the United States does cause significant amounts of work for the USPTO. (Bob Bahr)

**If a PCT application claims priority to a non-provisional U.S. application, does the U.S. national phase application count as the first continuation?**

Yes. The continuation limits count any priority claim under 35 U.S.C. §§ 120, 121, or 365(c). The non-provisional application would be counted as the original application and the U.S. national phase application would be counted as the first continuation. (Foley)

## **Divisionals**

**Can claims in a divisional application be amended?**

Yes. Claims in a divisional application can be amended as long as the divisional claims remain directed to the same invention that was disclosed and claimed in the original application, subject to a restriction requirement or lack of unity holding, not elected for examination, and not examined in any prior-filed application. (Foley)

**Can voluntary divisionals be filed prior to November 1, 2007? What about divisionals to non-elected species?**

Voluntary divisionals can be filed prior to November 1, 2007, but a voluntary divisional application will be treated as a continuation application for purposes of determining whether the applicant may file continuation or continuation-in-part (CIP) applications after November 1, 2007 without a petition. If an application is filed to pursue species claims and genus claims are pending in another application, the application may be deemed a continuation if the genus claims are allowed, or may be deemed a divisional if the genus claims are not patentably





distinct from the species claims, the USPTO may count the claims in both applications when applying the 5/25 claim limits and may require justification of the co-pending applications and a terminal disclaimer under new 1.78(f)(2).

As a general rule, therefore, applicants should only file divisionals in response to a restriction requirement. (Foley)

### **Claim Limits/Examination Support Document (ESD)**

#### **Can a child of an application that has received a first Office Action on the merits contain more than 5/25 claims?**

Assuming that the child application has not received a first Office Action on the merits by November 1, 2007, then the child application must comply with the 5/25 claim limits or ESD requirements. (Foley)

#### **If two identical applications are filed on the same day, will this cause a problem with the 5/25 claim limits? Will the claims be counted together?**

The USPTO will count the claims of co-pending applications together if any claim in one application is not patentably distinct from any claim in the other application(s). As long as the claims presented in the parallel applications are patentably distinct, they should not be counted together. However, this filing strategy will implicate the disclosure requirements of new 1.78(f)(1) and the presumption of patentably indistinct claims arising from new 1.78(f)(2). (Foley)

#### **Please confirm that the general standard for judging obviousness/indistinctness is one way, and that if there are copending applications, that the claims from all copending indistinct applications will be counted for 5/25 purposes.**

Yes. (Bob Bahr)

#### **Will applicants still have to pay extra claim fees for independent claims beyond three and total claims beyond 20?**

Yes. The new rules do not change the fee structure for extra claims. (Foley)

### **CIP Claims**

#### **Does the requirement to identify which claims in a CIP application are supported by the parent application(s) apply to CIPs filed before November 1, 2007?**

Yes. The requirement to identify support for CIP claims applies to any applications that are pending as of November 1, 2007. (Foley)





**Is there a specific format to use to identify whether a CIP claim is supported by its parent application(s)?**

No, there is no specific format for identifying whether a CIP claim is supported by its parent application(s). (Bob Bahr)

**If a suggested restriction requirement (SRR) is accepted by the office in a first Office Action on the merits, will the applicant be able to cancel the non-elected inventions and receive a refund, since these claims were never acted upon?**

The USPTO is constrained by the Consolidated Appropriations Act, which provides for refunds only before a First Action on the merits; refunds are not tied to whether the claims are acted upon or not. It is recommended that the applicant file with as few claims as possible to the non-elected invention for two reasons:

- If the SRR is accepted, you will get a First Action on the merits with the acceptance of the SRR, and will not get a refund on the excess claims
- If the SRR is rejected, the applicant will be required to provide an ESD if over the 5/25 limit (Bob Bahr)

**If an SRR is accepted in a First Action on the merits, there will be no refund, but if the applicant does not file a SRR and the examiner issues a restriction requirement, can the applicant get a refund?**

The SRR and restriction requirements offer different benefits. The SRR provides the advantage that you can tee-up what you want to get examined, but get no money back. With the examiner's restriction requirement you are stuck with the examiner's interpretation, but can get the money back. (Bob Bahr)

**Can the applicant pursue a telephone interview with the examiner to propose a suggested restriction requirement and have it accepted in an interview summary?**

Nothing prohibits this, and an interview before a First Action on the merits is permissible. (Bob Bahr)

## **Related Applications**

**The new rules require applications to be rejoined if there is one-way obviousness. If a species is unobvious over a genus claimed in a related application, will the applicant be entitled to maintain the species in a separate application?**

In this situation, the USPTO would allow the two applications to remain pending and be prosecuted in parallel. However, because there is still one-way indistinctness, the claims of both applications would be counted for





purposes of the 5/25 rule. Therefore, it would be best to prosecute the genus first, and then the species. (Bob Bahr)

**What is the deadline for filing a rebuttal of the presumption of patentably indistinct claims under new 1.78(f)(2)?**

For applications already pending as of November 1, 2007, the deadline for complying with new 1.78(f) expires February 1, 2008. For applications filed on or after November 1, 2008, the requirements of 1.78(f), including any required rebuttal, must be met by the later of four months from the filing date or U.S. national phase entry, two months from the mailing date of the initial filing receipt, or the date on which any patentably indistinct claims are presented. (Foley)

**What recourse do applicants have if they disagree with the examiner's determinations under new 1.78(f)?**

Applicants can petition against determinations made under new 1.78(f). (Foley)

**About the Web Conference**

On September 12, 2007, Foley hosted the latest installment of its Patent Nation Web Conference series, "USPTO Director Jon Dudas and IP Professionals Discuss New USPTO Claims and Continuations Rules and Their Practical Implications." During this session, Jon W. Dudas, Under Secretary of Commerce for Intellectual Property, and Director of the United States Patent and Trademark Office (USPTO) provided background and implications of the new Claims and Continuations Rules. He was joined by Bob Bahr, Senior Patent Counsel, Office of the Deputy Commissioner for Patent Examination Policy, USPTO; along with Foley professionals Courtenay Brinckerhoff, Steve Fox, Phil Kiko, and Steve Maebius, who discussed the specific implications the rules will play in various industries as well as within company strategies moving forward.

The above questions and answers were derived from discussions during the Web conference as well as questions asked by conference attendees.

To view the full Web conference, or find additional information about the rules, please visit [Foley.com/continuations](http://Foley.com/continuations).

