

REPORT

**RECENT DEVELOPMENTS IN U.S. PATENT LAW RELATING TO
PROCESS CLAIMS**

May 1996

The Patent and Trademark Office has issued a Notice on Treatment of Product and Process Claims, providing guidance on the proper consideration of certain product and process claims in light of recent Federal Circuit opinions and the passage of 35 U.S.C. §103(b).¹

The Notice relates to treatment of process claims directed to making or using novel and non-obvious products. The Court in Ochiai and Brouwer had addressed the issue of whether an otherwise conventional process could be patented if it were limited to making or using a non-obvious product. In both cases, the Federal Circuit held that the use of a per se rule is improper in applying the test for obviousness.² The Notice points out that §103 requires a highly fact-dependent analysis comparing the claimed subject matter as a whole to the prior art as a whole. In applying this test to an application containing allowable product claims, the Notice indicates that corresponding claims to processes for making or using the product can only be rejected under §103 if the prior art includes a suggestion or motivation to make or use the non-obvious product recited in the claims. It appears that this would seldom be the case.

¹ See In re Ochiai, 71 F.3d 1565, 37 USPQ2d 1127 (Fed. Cir. 1995) and In re Brouwer, 77 F.3d 422, 37 USPQ2d 1663 (Fed. Cir. 1996).

² A prior Federal Circuit opinion, In re Durden, 763 F.2d 1406, 226 USPQ 359 (Fed. Cir. 1985), had held that a "new" process may still be obvious even when the specific starting material or resulting product, or both, is novel and unobvious. Although neither Ochiai nor Brouwer expressly overruled Durden, these cases held that claim language that recites making or using a nonobvious product is a material limitation that must be considered and can be relied upon in determining that an otherwise conventional process is patentable.

In addition, the Notice instructs Examiners as to the effect of Ochiai and Brouwer on the Patent Office practice of restricting product and process claims. The Notice states that where product and process claims are presented in the same application, the applicant may be called upon to elect claims to either the product or the process. The claims to the non-elected invention will be withdrawn from further consideration. However, if the product claims are elected, rejoinder will be permitted if a product claim is found allowable and the withdrawn process claim depends from or otherwise includes all the limitations of the allowed product claim. In view of this new practice, when applicant is requested to elect between product claims and process claims directed to making or using that product, it may be preferable to elect the product claims.

After product claims have been elected, it may be possible to avoid the need for a divisional application by amending the process claims to conform them to the scope of the product claims. By amending the process claims in this way, if a product claim is found to be allowable over the art, the process claims corresponding to that product claim will be rejoined and considered in the same application. However, if the application containing the rejoined claims is not in condition for allowance, the subsequent Office Action may be made final, and, if the application was already under final rejection, the next Office Action may be an Advisory Action.

Under certain circumstances, amending the process claims to conform them to the scope of a non-rejected product claim is not preferred. For example, when the process distinguishes over the prior art even without a limitation that is in the product claim, filing a divisional application directed to the process may be preferable. To determine which approach is appropriate, applicant should consider the potential benefit of broader process claims as compared to the costs of filing and prosecuting a divisional application and maintaining an additional patent, as well as

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considering the likelihood of obtaining broader process claims.

In summary, the likelihood of obtaining broader process coverage, the potential benefit of broader process claims, and the costs associated with filing and prosecuting a divisional application and maintaining a second patent should be considered in responding to any Patent Office request to elect between claims directed to a product and claims directed to a process for making or using that product. In addition, in applications where an election of product claims has already been made, these factors should be considered before canceling the non-elected claims.

35 U.S.C. §103(b) is applicable to biotechnological processes only. This section precludes an obviousness rejection of certain claims directed to biotechnological processes "using or resulting in a composition of matter" that is novel and nonobvious. The Notice points out that in view of the Federal Circuit's decisions in Ochiai and Brouwer, the need to rely upon §103(b) should be rare. Furthermore, because of the potential impact on the presumption of validity, as we have previously reported about §103(b), we recommend avoiding use of §103(b) where possible.

The Patent and Trademark office will treat §103(b) elections on a case-by-case basis by way of (1) an Amendment requesting entry of process claims corresponding to a biotechnological composition of matter claim that does not stand rejected under 35 U.S.C. §102 or 103, (2) a Petition establishing that all of the requirements of §103(b) have been satisfied, and (3) a Patent Office fee of \$130.00. Such an election will generally be considered timely if it is made no later than the earlier of (1) payment of the Issue Fee,³ or (2) filing of an Appeal Brief in an application that contains a biotechnological composition of matter claim that does not stand rejected under 35 U.S.C. §102 or §103. Therefore, before paying the Issue Fee or filing an Appeal Brief in any application disclosing a

biotechnological process, applicability of this law should be considered.⁴

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This Special Report is intended to provide information about legal issues of current interest. It is not intended as legal advice and does not constitute an opinion of Oloff & Berridge, PLC. Readers should seek the advice of professional counsel before acting upon any of the information contained herein.

For further information, please contact our office by telephone at (703) 836-6400, facsimile at (703) 836-2787, or mail at 700 South Washington Street, Alexandria, Virginia 22314.

³ For pending applications in which the Issue Fee has been paid prior to the date of the Notice, the timeliness requirement for an election under §103(b) will be considered satisfied if an Amendment requesting entry of process claims corresponding to a non-rejected composition of matter claim, accompanied by a Petition and \$130.00 petition fee, is made before the Patent issues. Thus, applicability of this law should also be assessed for any pending biotechnology application in which the Issue Fee has already been paid.

⁴ Section 103(b) does not discuss non-elected claims. However, in applications where product claims have been elected, if a product claim is found allowable, corresponding process claims should be rejoined and considered in view of Ochiai and Brouwer. Then, if process claims within the scope of §103(b) are rejected, a Petition to proceed under §103(b) can be filed. Further, if the non-elected claims are not rejoined, they may be pursued in a divisional application and §103(b) may still be relied upon.