

## REPORT

## CHANGES IN U.S. INTELLECTUAL PROPERTY LAW UNDER GATT

May 25, 1995

The PTO's final rules (37 CFR) relating to the GATT law change are effective starting June 8, 1995. Rule 129(a), Rule 129(b) and the rules relating to provisional applications involve the most significant changes or clarifications from the proposed rules and are discussed below.

**Rule 129(a): Entry of "After Final" Submissions**

This rule applies to applications filed by June 7, 1995 and pending since at least June 8, 1993 (including any reference to an earlier filed application under 35 U.S.C. §§120, 121 and 365(c)). Applicants are entitled to have a submission (such as an Amendment After Final Rejection or Information Disclosure Statement) entered and considered if the submission is filed and the fee (\$730 for large entities and \$365 for small entities) is paid before the filing of an Appeal Brief and before abandonment of the application. Proposed Rule 129(a) had required that the submission and fee had to be submitted before the filing of a Notice of Appeal. However, the final rules require only that they be submitted before the filing of an Appeal Brief.

Additionally, the final rules and PTO commentary thereon make it clear that upon payment of the fee, the finality of the previous Final Rejection will be automatically withdrawn. If the submission after Final Rejection was initially denied entry because (1) new issues were raised that required further consideration and/or search, or (2) the issue of new matter was raised, then the Examiner should not issue a first action Final Rejection after the submission is filed and the fee is paid. This is similar to continuation application practice. See MPEP §706.07(b). If the application eventually receives a second Final Rejection, the applicant may again use Rule 129(a) to have any submission entered. However, Rule 129(a) will not be applicable after a third Final Rejection.

Rule 129(a) may be used to obtain entry of Amendments After Final Rejection (that have been denied entry) for any application filed by June 7, 1995 and pending since at

least June 8, 1993. Once the opportunity for filing a continuation application by June 7 has passed, we recommend using Rule 129(a) for these applications rather than filing a continuation application. As you know, if a continuation application is filed after June 7, any resulting patent will receive a 20 year patent term measured from the filing date of the earliest parent application. The filing of a submission under Rule 129(a) preserves the opportunity to receive a 17 year patent term measured from the date of grant.

**Rule 129(b): Restriction Practice**

This rule is applicable for applications filed by June 7, 1995 and pending since at least June 8, 1992 (including any reference to earlier filed applications under 35 U.S.C. §§120, 121 and 365(c)). No requirement for restriction shall be made in these applications after June 8, 1995, except where: (1) the requirement was previously made prior to April 8, 1995; (2) the Examiner has not made a restriction prior to April 8, 1995 due to actions by the applicant; or (3) the fee (\$730 for large entities; \$365 for small entities) is not paid for each independent invention in excess of one.<sup>1</sup>

Applicants may also petition against a Restriction Requirement under Rule 1.129(b) (2) (iii) for applications

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\* While there is no specific discussion in the rules or commentary, we believe this rule will be interpreted to mean that if claims are added to an application and the claims have not been substantively examined by the Examiner prior to April 8, 1995, then the Examiner may not have had the opportunity to make a restriction "due to actions by the applicant." If the rule is so interpreted, this fact situation would fall within the above second exception to Rule 129(b). Thus, a divisional application may be necessary when new patentably distinct claims are added to an application under these circumstances.

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pending since at least June 8, 1992. Under this new rule, if the petition is timely filed, the original time period for electing and paying the fee under Rule 129(b) will be deferred until after a decision on the petition. The decision on the petition will set a new time period to elect the invention and pay the fee(s) under Rule 129(b).

### ***Provisional Applications***

As set forth in Rule 1.78(a)(3), provisional applications become abandoned 12 months from filing. However, when the last day of pendency falls on a Saturday, Sunday or federal holiday, Rule 1.78(a)(3) states that any application claiming benefit of the provisional application must be filed prior to the Saturday, Sunday or federal holiday. This is different from all other Patent Office practices of measuring the last day of pendency.

Rule 1.51(a)(2)(i) requires that the provisional application cover sheet include both the name and residence of each named inventor. Thus, please be sure to identify both the name and the residence address of each inventor with your instructions to file provisional applications.

The commentary to the rules makes it clear that if the "invention" to be claimed has not been determined in a provisional application, then the name(s) of all those person(s) who have made a contribution to the subject matter disclosed in the provisional application should be submitted. Any nonprovisional application claiming priority under 35 U.S.C. §119(e) from the provisional application must have at least one inventor in common with the provisional application. The Patent Office has stated that applicants should broadly list all possible inventors in the provisional application so that priority can be appropriately

asserted in the nonprovisional application when claims are presented. Thus, inventorship issues need not be fully resolved until the nonprovisional application (with claims) is filed.

The government filing fee for provisional applications is \$150 for large entities and \$75 for small entities. Provisional applications may be filed in languages other than English; however, verified translations will be required within a set time. The Patent Office has also stated that the filing of a provisional application followed by a nonprovisional application that matures into a patent will establish a §102(e) date as of the filing date of the provisional application. The filing of a provisional application also starts the Paris Convention year in which to file corresponding applications in foreign countries.

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