

## REPORT

**FINAL RULES IMPLEMENTING EIGHTEEN MONTH  
PUBLICATION OF PATENT APPLICATIONS****November 3, 2000**

As discussed in our November 29, 1999, Special Report on the Omnibus Reform Act of 1999, legislation was enacted that included a number of revisions to U.S. Intellectual Property Law. One significant aspect of this legislation was the provision for eighteen-month publication of United States patent applications and provisional pre-issuance royalty rights.

The U.S. Patent and Trademark Office (PTO) has now published final rule changes to implement the eighteen-month publication of patent applications.<sup>1</sup> The rule changes become effective **November 29, 2000** for patent applications filed on or after that date and voluntarily for certain other patent applications.

In the implementation of eighteen-month publication of patent applications, new rules were created and related rules were extensively revised. The PTO also provided substantial commentary on how it plans to implement the statute and rules. This Special Report summarizes various important aspects of the new eighteen-month publication rule changes and commentary.

**I. EIGHTEEN-MONTH PUBLICATION OF  
PATENT APPLICATIONS**

New 35 U.S.C. §122(b) provides that most patent applications filed on or after November 29, 2000, will be published promptly after the expiration of eighteen months from the earliest filing date for which a benefit is sought, and that an application may be published earlier than the end of such eighteen-month period at the request of the applicant. An applicant who filed before November 29, 2000, may also elect to have the application published.

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<sup>1</sup> The final rule package is available at the PTO's web site -- [www.uspto.gov/web/offices/com/sol/notices/chpatapp.pdf](http://www.uspto.gov/web/offices/com/sol/notices/chpatapp.pdf).

New 37 C.F.R. §§1.211-1.221 provide the framework for such publication.

35 U.S.C. §154 has been amended to provide that, subject to a number of conditions, patent rights include the right to obtain a reasonable royalty for acts occurring during the period beginning as early as the date of publication of the application and ending on the date the patent is issued to the extent that any infringed claim is substantially identical to any claim that appeared in the publication. This aspect of the legislation is addressed in our November 29, 1999 Special Report.

35 U.S.C. §102(e) has been amended to make patent publications prior art as of their earliest U.S. filing date. That amendment has very complex effects and further legislation is pending to change §102(e) again. This Special Report will not address this statutory change, which was discussed in our November 29, 1999 Special Report.

**A. Content of Publications.**

The PTO will publish the application specification, claim(s), any drawing(s) and any sequence listing, along with a cover page including bibliographic data of each new (including continuation, divisional, continuation-in-part, and U.S. National Stage PCT) application that is subject to publication. These papers will be published as originally filed, with certain exceptions.

It will be possible to have an application published as amended if a copy of the application as amended, in compliance with the PTO's new and largely untested Electronic Filing System (EFS), is filed by the later of one month from the actual filing date and fourteen months from the earliest benefit date. 37 C.F.R. §1.215(c). This may be particularly important for continuing applications such as

November 3, 2000

CPAs, since they would otherwise be published as originally filed in the parent application.

It will also be possible to have an application re-published, either to correct material PTO mistakes in the original publication or to reflect, e.g., claim changes arising during prosecution.

The PTO will re-publish applications without any fee only to correct "material mistakes" by the PTO. The PTO will interpret "material mistakes" as those which affect claim scope determination for enforcement of provisional rights. "Material mistakes" will not encompass errors in bibliographic information, which applicants will be expected to bring to the attention of the PTO for correction at least 14 weeks before publication. (From our experience with filing receipt inaccuracy and correction, we expect many publications to include errors in bibliographic information.) Any request for re-publication to correct material PTO mistakes must be filed within an unextendible two months after the date of publication. 37 C.F.R. §1.221(b).

Re-publication can also be requested at any time upon submission of an EFS compliant copy of the application, a \$300 publication fee and a \$130 processing fee. Such republication can be used to update the claims as amended or correct "immaterial" errors. 37 C.F.R. §1.221(a).

### **B. Availability of Related Files.**

Under revised 37 C.F.R. §1.14(c), contrary to the apparent intent of the statute, both the published application and its file history (whether pending or abandoned) will be available to the public. Copies of international application files for international applications, which designate the United States and which have been published in accordance with PCT Article 21(2), will be furnished in accordance with PCT Articles 30 and 38.<sup>2</sup> Additionally, under revised 37 C.F.R. §1.14(i), copies of English language translations of international applications, which were published in a non-English language, which designated the United States, and which have been submitted to the Patent Office

pursuant to 35 U.S.C. §154(d)(4), will also be available to the public.<sup>3</sup>

The PTO commentary recognized that providing copies of file histories of pending published applications may disrupt the examination process or result in corruption of the application files. In hopes of minimizing such disruption, the PTO will not permit the public direct access to pending files, but will itself prepare copies under 37 C.F.R. §1.14(c). This is likely to involve considerable delays and quality issues based on current PTO data (it presently takes the PTO about one week to fill an order for a paper patent copy and about one month to fill an order for a copy of a file history). However, the PTO does intend to allow internet access to patent application publications and to status information on published patent applications by way of its PAIR system. The PTO commentary indicated that if fulfilling copy orders for file histories of pending published applications proves to be unmanageable, the PTO will revise 37 C.F.R. §1.14 to require members of the public requesting copies of file histories of pending published applications to show cause to obtain such copies.

In addition, the PTO will not publish an application, or charge a publication fee, if the application issues as a patent "a sufficient time" before publication to permit its being removed from the publication process. The PTO currently estimates "a sufficient time" as at least two weeks.

### **C. Form Of Publications.**

Patent applications will be published electronically on the PTO's website, on search systems available to Examiners and the public in the PTO, and by exchange with other patent offices and patent depository libraries. They will doubtless also be promptly available through commercial database services. There will be no counterpart to the PTO Official Gazette for patent publications, nor will paper copies be sent to the applicant or included in the public or examiners' search files. However, paper copies will be available for purchase, much like paper copies of patents.

### **D. Time of Publication.**

The PTO currently plans to publish patent applications only on Thursdays. Thus the publication date of an application should be the first Thursday after the date

<sup>2</sup> PCT Articles 30 and 38 set forth conditions under which international applications and the file of international preliminary examinations will be kept in confidence.

<sup>3</sup> 35 U.S.C. §154(d)(4) sets forth the requirements for applicants of international applications to obtain provisional rights.

November 3, 2000

that is eighteen months after the earliest filing date for which a benefit is sought. 37 C.F.R. §1.211(a). The PTO estimates that a fourteen week publication cycle is needed for publication of a patent application. Thus, an application may not be published according to the eighteen-month schedule if the application is not in condition for publication by approximately fourteen months after the earliest benefit date. This will result in delayed publication for most applications filed with missing parts.

## E. Requirements for Publication.

### 1. In General

To be published, a patent application (including a 35 U.S.C. §120 continuing application) must have been filed on or after November 29, 2000; be the U.S. National Stage of a PCT international application with an international filing date on or after November 29, 2000; or be an earlier filed application in which a Request for Voluntary Publication has been filed. Before publication will occur (37 C.F.R. §1.211(c)):

- The application must include the minimum requirements for a filing date; i.e., a specification, at least one claim, and any necessary drawing;
- Any necessary translation of these materials into English must be filed;
- The formal requirements for the text, drawings and any sequence listing must be met;
- An executed oath or declaration of the inventors must be filed; and
- The filing fee must be paid.

In addition, any claim to filing date benefits of an earlier application (e.g., foreign or U.S. provisional priority benefits under 35 U.S.C. §119 or continuing application benefits under 35 U.S.C. §120) must be timely filed, or will be deemed waived to prevent incomplete or delayed publication. 37 C.F.R. §1.55 and §1.78. Furthermore, any assignee information to be included on the publication must be provided on the filing date. 37 C.F.R. §1.215(b).

U.S. National Stage PCT applications must satisfy the requirements of 35 U.S.C. §371, in order to be published under 35 U.S.C. §122(b), although the international publication is treated as a §122(b) publication for some purposes. When claiming benefit of an international application, the reference to the benefit claim in the specification must indicate whether the international

application was published in English. 37 C.F.R. §1.78(a)(2).

### 2. Voluntary Publication

Applicants may request publication earlier than eighteen months (37 C.F.R. §1.219), and may request publication of applications filed before November 29, 2000 (37 C.F.R. 1.221). In either case, the applicant must submit an EFS compliant copy of the application, along with the \$300 publication fee. A request for publication of an application filed before November 29, 2000, must also be accompanied by a \$130 processing fee. Voluntary publication may be particularly important for applications having claims that are known to be infringed, particularly if protracted examination (e.g., an appeal) is contemplated, or if creation of §102(e) prior art against a third party is critical. However, voluntary publication may have significant effects on the availability of references as 35 U.S.C. §102(e) prior art against the application and any resulting patent, as well as on the availability of the patent application publication itself as §102(e) prior art. Thus any decision concerning voluntary publication must be based on very careful analysis of the circumstances.

### 3. Time Limits

Beginning November 29, 2000, the claim for priority must be presented during the pendency of the application, and within the later of 1) four months from the actual filing date, or 2) sixteen months from the filing date of the prior foreign application.<sup>4</sup> In an application that entered the U.S. National Stage from an international application, the claim for priority must be made during the pendency of the international application and within the time limits set forth in the PCT and the regulations under the PCT. 37 C.F.R. §1.55(a)(1). A certified copy of the foreign application may be filed later, but must be filed before the patent is granted, in spite of the fact that the legislation made it optional for the PTO to require filing of a certified copy. 37 C.F.R. §1.55(a)(2). The same time period applies to claims for priority based on provisional applications and claims for filing date benefits under 35 U.S.C. §120. 37 C.F.R. §1.78(a)(2).

The same time period also applies to the required submission of a translation of a foreign-language U.S.

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<sup>4</sup> The rule does not distinguish between first and subsequent priority documents. We recommend counting the 16 month period from the earliest benefit date.

November 3, 2000

provisional application on which a priority claim is based.<sup>5</sup> 37 C.F.R. §1.78(a)(5).

If the applicant fails to fulfill the requirements for claiming §119 priority or §120 benefits in the time period provided, the benefits will be considered waived. However, if the applicant establishes that the failure was unintentional, the PTO may reinstate the benefits if the applicant files a petition with a fee of \$1,240 (no reduction is provided for small entities). 37 C.F.R. §1.55(c) and §1.78(a)(6). In addition, the PTO commentary indicates that it may be possible to perfect an untimely claim for §119 foreign priority or §120 benefits by reissue or certificate of correction; but that such post-issuance remedies will not be available to perfect untimely claims for §119 priority to U.S. provisional applications.

There is no set time limit for submitting the inventor's declaration, any translation of a foreign-language filed application, formal drawings, formal sequence listings, or the like. Such matters will be handled with a Notice to File Missing Parts establishing deadlines. However, delayed submission of such items may delay publication and may reduce patent term extensions under the Patent Term Guarantee provisions of the Act. Thus we recommend that such items be filed with each application or as soon thereafter as possible.

#### 4. Drawings

The Patent Office will seek to ensure that drawings are of sufficient quality for use in creating patent application publications. Any objections to drawings will have to be overcome in all utility and plant applications before the applications will be published or released from the Office of Initial Preliminary Examination to the appropriate technology examining unit. 37 C.F.R. §1.85 and §1.215.

The PTO rejected comments suggesting a two-tiered review for drawings: one level for publication and a second level for printing in a patent. Instead, the PTO stated that it will no longer permit applicants to defer the submission of publication quality drawings (and the cost of preparing such drawings) until an application is allowed (except in a design application). Further, the PTO asserted that because the patent application publication will become the primary prior art and technology dissemination document, there is

no point to providing for higher drawing quality in patents than in patent application publications. Thus full compliance with the formal drawing rule (37 C.F.R. §1.84) will be required before applications will be published. This will require the applicant to incur greater "up-front" costs in the preparation of drawings, prior to examination of the application. (However, we have been made aware of unofficial indications that the PTO may lower its standards for objecting to drawings to reduce the number of early drawing objections and resulting delayed publications.)

In addition, even if an applicant files the application with a request that the application not be published, the applicant must still comply with the early drawing requirements because the applicant may rescind the non-publication request at any time.

37 C.F.R. §1.84 is amended to provide that color drawings are not permitted in an application, unless necessary, and are not permitted at all in an EFS application. Patent application publications will not include color. 37 C.F.R. §1.84 is also amended to provide that any petition to accept color drawings must include a black and white photocopy that accurately depicts, to the extent possible, the subject matter shown in the color drawing, as well as a \$130 petition fee and an amendment to the specification to refer to the color drawings. In addition, 37 C.F.R. §1.84(e) is amended to provide that photographs must be developed on paper meeting the standards of 37 C.F.R. §1.84. Thus, photographs can no longer simply be attached to a sheet of paper.

Design applications are not subject to the eighteen-month publication provisions. Therefore, informal drawings will continue to be accepted for examination in design applications. 37 C.F.R. §1.85(a).

#### **F. Conditions Under Which Publication May Be Delayed.**

The PTO plans to indicate, on the Official Filing Receipt, a projected publication date or "to be determined" if the application is not in condition for publication. If events change the projected publication date by more than two weeks, the PTO intends to issue a change notification indicating the revised projected publication date.

An application may not be published on the first Thursday after the date that is eighteen months from its earliest benefit date, if the application is not in condition for publication approximately fourteen months after the earliest filing date for which a benefit is sought. Thus, not

<sup>5</sup> A provisional application may be filed in a foreign language, and no translation need be filed in the provisional application file itself. 37 C.F.R. §1.52(d)(2).

November 3, 2000

providing 1) the basic filing fee; 2) the oath; 3) papers and drawings of publication quality; 4) a compliant sequence listing; or 5) an English language translation of a foreign language patent application, within fourteen months from the earliest filing date for which a benefit is sought, may delay publication of the application. 37 C.F.R. §1.215(a).

The publication of an international application in many circumstances has the same effect as a publication under 35 U.S.C. §122(b). Nevertheless, the PTO will republish international applications that enter the U.S. National Stage, after they comply with 35 U.S.C. §371(c) and any other requirements, in order to add them to the PTO search database. 37 C.F.R. §1.211(a).

In delayed publication situations, the publication date of the application should be the first Thursday after the date that is fourteen weeks after the application is in condition for publication. If an applicant attempts to delay publication by delaying the submission of the necessary content for the application publication, the applicant may encounter a reduction in any patent term adjustment under 35 U.S.C. §154(b).<sup>6</sup>

### **G. Requests To Publish A Redacted Copy Of An Application.**

If an applicant has filed applications in one or more foreign countries that are less extensive than the corresponding United States application, the applicant may submit a redacted copy of the application filed in the Patent Office eliminating any part or description of the invention that is not also contained in any of the corresponding applications filed in a foreign country. 37 C.F.R. §1.217. The redacted copy of the application must be received by the PTO within sixteen months after the earliest filing date for which a benefit is sought. In addition, applicants must use the PTO's Electronic Filing System (EFS) when requesting publication of only a redacted copy of an application.

A significant amount of responsibility is placed on the applicant requesting publication of a redacted copy of an application. In addition to supplying an electronic copy of the redacted application in compliance with the EFS, the applicant must submit, in paper form, 1) a certified copy of each foreign-filed application that corresponds to the application for which a redacted copy is submitted; 2) a translation of each such foreign filed application that is in a

language other than English, and a statement that the translation is accurate; 3) a marked-up copy of the complete U.S. application showing the redactions in brackets; and 4) a certification that the redacted copy of the application eliminates only the part or description of the invention that is not contained in any application filed in a foreign country directly or through a multilateral international agreement that corresponds to the application filed in the PTO. 37 C.F.R. §1.217(c).

If a redacted copy of an application is submitted in compliance with the above requirements, but later than four months prior to the projected publication date, the PTO will reprocess the patent application publication for which assembly would already have started, using the redacted copy of the application provided by the applicant. The sixteen month period for filing a redacted copy of an application is provided by statute and is not based upon the fourteen week publication cycle.

In support of an applicant's efforts to maintain the redacted portions of the application in confidence prior to grant of a patent, the applicant must also submit redacted copies of all prior correspondence with the PTO in the file, throughout prosecution submit a redacted copy of each Office Action within one month after its mailing date, and submit a redacted copy of each filing, all accompanied by marked-up copies of the originals showing the redactions, certification that the redactions are limited to elimination of material relevant to items not contained in the publication, and a \$130 fee with each such submission. Failure to comply with any of these requirements will open up the entire file to public inspection. 37 C.F.R. §1.217(d).

### **H. Cost of Publication.**

The Patent Office has established patent "post allowance fees". These fees will include both the issue fee and the publication fee, provided there is publication of the application. The publication fee is currently set at \$300, and there is no reduced fee for small entities. Upon allowance, both the issue fee and the publication fee must be paid within three months from the date of the mailing of the Notice of Allowance to avoid abandonment of the application. This three-month period will not be extendible. 37 C.F.R. §1.211(e).

## **II. APPLICATIONS NOT SUBJECT TO PUBLICATION**

The following types of applications will not be published under 35 U.S.C. §122(b) and 37 C.F.R. §1.211:

<sup>6</sup> 35 U.S.C. §154(b) provides for extension and reduction of patent term.

November 3, 2000

- a. Abandoned applications;
- b. Applications subject to secrecy orders;
- c. Provisional applications;
- d. Design patent applications;
- e. Patented applications; and
- f. Otherwise publishable patent applications in which a proper Request Not to Publish has been filed.

#### **A. Abandoned and Patented Applications.**

37 C.F.R. §1.11(a) specifies that all papers relating to the file of an abandoned published application, except if a redacted copy of the application was used for the patent application publication, will be open to inspection by the public and copies may be obtained upon the payment of a fee. Any abandonment of an application must be entered at least four weeks before the projected publication date to prevent publication. Requests for abandonment to avoid publication should be filed substantially earlier, with a 37 C.F.R. §1.138(c) petition and \$130 fee. This petition to abandon the application will be granted only if it is acted upon in sufficient time to avoid publication, as contrasted with a simple express abandonment, which is effective whether or not it is filed in time to prevent publication.

In addition, as noted above, the PTO will not publish an application, or charge a publication fee, if the application issues as a patent "a sufficient time" before publication to permit its being removed from the publication process. The PTO currently estimates "a sufficient time" as at least two weeks.

#### **B. Requests Not To Publish Applications.**

An applicant may request that an application not be published under very limited circumstances defined in 37 C.F.R. §1.213. The applicant must 1) make the request upon filing the application, and 2) certify that the invention disclosed in the application has not been and will not be the subject of an application filed in another country or under a multilateral international agreement (such as the Patent Cooperation Treaty (PCT) or European Patent Convention (EPC)) that requires publication eighteen months after filing. The request for non-publication will be noted on the Official Filing Receipt.

An applicant may rescind a non-publication request at any time. 37 C.F.R. §1.213(b). The application will then be subject to publication on the normal 18-month schedule or as soon as possible after the non-publication request is rescinded, whichever is later.

If the applicant decides to rescind the non-publication request by subsequently filing an application directed to the invention in a foreign country or under a multilateral international agreement requiring eighteen-month publication, the applicant must notify the Patent Office of such filing within 45 days after the date of the filing of such foreign or international application. If the applicant fails to notify the Patent Office within 45 days, the application will be abandoned. If an applicant files a petition showing that the delay was unintentional with a \$1240 fee (\$620 for small entities), the application may be revived. 37 C.F.R. §1.213(c).

### **III. MISCELLANEOUS ASSOCIATED RULE CHANGES**

The following additional rule changes have been made in light of the new publication statute.

#### **A. Third Party Submissions in Published Applications.**

Under new 37 C.F.R. §1.99, a third party may submit, within two months from the date of the first U.S. publication of the application, or prior to the mailing of a Notice of Allowance, whichever is earlier, a listing and copies of no more than ten (10) patents and/or publications for consideration by the PTO. The third party must serve copies upon the applicant, and must also pay a \$180 processing fee. The listing and references may be submitted later only if they could not have been timely submitted -- e.g., if they are later-published §102(e) references, and even then only with a further \$130 processing fee. The third party may not include any explanation of the patents or publications, or any other information, but may provide redacted copies and must include translations of any relevant foreign language references or portions thereof. In addition, the cited references will only be deemed to have been "considered" by the Examiner if they are discussed of record during prosecution. Thus this procedure will generally not be desirable to third parties except in very rare circumstances.

#### **B. Deferred Examination.**

Under 37 C.F.R. §1.103(d), an applicant may defer examination of a patent application for up to three years from the earliest filing date for which a benefit is claimed in a patent application filed on or after November 29, 2000. The applicant must pay the publication fee of \$300 and a processing fee of \$130 when requesting deferral. The application must meet certain conditions, which include that the application has been or will be published and that an

November 3, 2000

Office Action or Notice of Allowance has not been issued, and deferral is not available in CPA or reissue applications. Of course, any period of deferred examination will not be counted in determining patent term extensions for examination taking over three years.

**C. Revival of Terminated Reexaminations and Abandoned Applications.**

37 C.F.R. §1.137 is amended to permit revival of reexamination proceedings terminated due to an unintentional delay by applicant, upon filing of a petition and \$1240 fee (\$620 for small entities). It also permits revival of an application unintentionally abandoned for failure to pay the publication fee, with a petition, \$1240 fee (\$620 for small entities) and the publication fee. The publication fee must be paid even if the application is being revived solely to provide continuity with a later continuing application.

**IV. EFFECTIVE DATE**

These rule changes will become effective on November 29, 2000. They will apply to all direct national U.S. patent applications filed on or after November 29, 2000. They will also apply to all PCT/U.S. National Stage applications that comply with 35 U.S.C. §371 and have an international filing date on or after November 29, 2000. In addition, they will apply to applications in which an applicant voluntarily requests publication of an application filed before, but pending on, November 29, 2000.

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*Oloff & Berridge, PLC is a full-service Intellectual Property law firm based in historic Alexandria, Virginia. The firm specializes in patent, copyright, trademark, and antitrust law and litigation, and represents a large and diverse group of domestic and international clients, including businesses ranging from large multinational corporations to small privately owned companies, major universities, and individual entrepreneurs.*

*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.*

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