

REPORT

USPTO INSTITUTES NEW PROCEDURE FOR HANDLING PRELIMINARY AMENDMENTS FILED WITH NEW U.S. PATENT APPLICATIONS

September 23, 2005

In mid-August 2005, the Patent Office began issuing Notices to File Corrected Application Papers (NTFCAP) for certain new patent applications filed with Preliminary Amendments amending the specification. Specifically, the Patent Office now issues a NTFCAP unless the Preliminary Amendment amends the specification by providing a substitute specification (a clean copy and a marked-up copy showing the changes). No such NTFCAP is issued if the Preliminary Amendment only amends the claims, the drawings and/or the Abstract. In response to the NTFCAP, Applicant has an extendible time period of two months in which to file a substitute specification that includes the amendments made by the Preliminary Amendment. There is no government fee associated with the NTFCAP, although there are fees associated with filing a response to the NTFCAP and there is a government fee for any Petition for Extension of Time if a response cannot be filed within the two month time period.

Because of this procedural change, we recommend avoiding whenever possible the filing of a Preliminary Amendment that amends the specification when filing a new application, unless that Preliminary Amendment includes a substitute specification. Instead, we recommend incorporating the desired changes into the specification and filing the revised application without a Preliminary Amendment. However, in situations where specification changes are desired after the inventors have signed a Declaration, it may be preferable to file the application with the executed Declaration and a Preliminary Amendment to avoid the government surcharge for filing a late Declaration. In these situations, we recommend filing the Preliminary Amendment with a substitute specification, if possible, in order to also avoid issuance of the NTFCAP.

This Special Report provides our explanation and comments on the Patent Office's new procedure and our suggestions for modifying current practices in response to the Patent Office's new procedure so as to avoid issuance of NTFCAPs whenever possible.

I. Explanation and Comments on New Patent Office Procedure

Although the Patent Office only recently began issuing NTFCAPs under the circumstances described above, this unannounced procedural change apparently is based upon the September 21, 2004 rule change to 37 C.F.R. §1.115. According to that rule change, a Preliminary Amendment that is present on the filing date of an application is part of the original disclosure of the application. See our October 7, 2004 Special Report on Patent Rule Changes to Support Implementation of the USPTO 21st Century Strategic Plan. In particular, the NTFCAPs now being issued by the Patent Office require submission of a substitute specification and indicate:

Since a preliminary amendment was present on the filing date of the application and such amendment is part of the original disclosure of the application, the substitute specification must include all of the desired changes made in the preliminary amendment. See 37 C.F.R. 1.115 and 1.215.

Thus, because the Preliminary Amendment filed with the application is part of the original disclosure, the Patent Office now is requiring submission of a substitute

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specification incorporating the changes from the Preliminary Amendment so that the Preliminary Amendment changes will be included in the application that is published under 37 C.F.R. §1.215. Previously, unless additional steps were taken by Applicant, amendments made by a Preliminary Amendment filed with an application were not included in the published application.

Neither 37 C.F.R. §1.115 nor 37 C.F.R. §1.215 indicates that a NTFCAP will be issued when a Preliminary Amendment to the specification is filed with an application. In addition, the Patent Office did not provide any notice that it was changing its procedure for handling such Preliminary Amendments. We contacted an official from the Patent Office to discuss this change, and he confirmed that the Patent Office has newly instituted this procedure based upon the September 21, 2004 rule changes. The official indicated that the delay in the procedural change was due to the Patent Office's internal decision-making process. The official also confirmed that this new procedure does not apply to Preliminary Amendments that only amend the claims, drawings and/or Abstract, because replacement pages (or a replacement set of claims) are included whenever such amendments are made. Thus, for example, a NTFCAP will not be issued if the Preliminary Amendment simply amends the claims to eliminate multiple dependent claims.

There are a number of reasons for filing a Preliminary Amendment with a new patent application. Two very common reasons for filing a Preliminary Amendment are to correct recently discovered typographical errors and to add "continuity data" to the specification. Continuity data is a reference to prior applications (PCT or U.S. applications) from which the new application claims an earlier U.S. filing date benefit. It is common to file such a Preliminary Amendment, for example, when filing a continuation or continuation-in-part (CIP) of a PCT application (for example, when filing a "bypass continuation") or when filing a continuation, divisional or CIP of an earlier U.S. application. Such Preliminary Amendments usually also incorporate by reference the prior U.S. and/or PCT application(s). It also is common to file a Preliminary Amendment that identifies and incorporates by reference any foreign application(s) from which priority is claimed. Other Preliminary Amendments could amend the specification to add new matter. Furthermore, an amendment that incorporates by reference a prior U.S., PCT or foreign priority application should be treated as an

amendment that potentially adds new matter because the reason for incorporating by reference those earlier applications is to enable the Applicant to add disclosure from the earlier applications to the new application, for example, if after filing the new application it is discovered that disclosure was omitted from, or mis-translated in, the new application.

The decision regarding whether to file a Preliminary Amendment with the new application primarily depends on whether new matter is added by the amendment. That is, although amendments that do not add new matter can be made after the application is filed, an amendment that adds new matter to the specification must be made when the application is filed. In addition, we strongly recommend adding the continuity data to an application when it is filed because 37 C.F.R. §1.78(a)(2) requires that the continuity data be included in, or inserted into, an application within the later of four months from the U.S. filing date of the new application or sixteen months from the U.S. filing date of the earlier application from which a U.S. filing date benefit is claimed. Thus, in order to eliminate the risk of missing the due date set in 37 C.F.R. §1.78(a)(2), we recommend including (and it is our practice to automatically include) the continuity data when the application is filed, rather than postponing inclusion of the continuity data beyond the filing date of a new continuation, divisional or CIP application.

Although there is no government fee for responding to the NTFCAP, there will be costs associated with a response to the NTFCAP, such as our service charge and disbursements for preparing the documents needed to respond to the NTFCAP. In addition, issuance of the NTFCAP by the PTO may result in delay in publication and prosecution of the application.

II. Suggestions For Responding to the Patent Office's New Procedure

We provide the following options for responding to the Patent Office's new procedure, along with our comments on those options.

1. Provide Oliff & Berridge with the Revised Application Prior to Filing

We strongly recommend this option if it is possible because it will eliminate the NTFCAP and the need for a

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Preliminary Amendment. It should be possible to include the continuity data and the foreign priority data in the application before filing the application in the Patent Office because this information usually is known prior to the new application filing date. Thus, when forwarding a PCT-bypass continuation or CIP to us for filing, we now encourage our clients to include the continuity data in that application, if possible. Similarly, we now encourage our clients to include the continuity data in any continuation, divisional or CIP application forwarded to us for filing, if possible. We also shall include the continuity data in any continuation, divisional or CIP applications that we prepare.

2. Authorize Oliff & Berridge to Revise an Application to Add the Requested Revisions Before the Application is Filed

Rather than preparing and filing a Preliminary Amendment to make any revisions instructed by a client (or required by 37 C.F.R. §1.78(a)(2) in order to include the continuity data), Oliff & Berridge could automatically revise the specification prior to filing if the client provides us with an electronic version of the application. This procedure also will avoid the Patent Office issuing a NTFCAP. However, if the client forwarded the application along with a Declaration executed by the inventor(s), the revised application should be filed without the Declaration. This, however, would result in the Patent Office issuing a Notice to File Missing Parts that would require submission of an executed Declaration and a PTO fee. Thus, in the situation where the client provides us with an executed Declaration, we recommend filing the application with the executed Declaration and a Preliminary Amendment, which will result in the Patent Office issuing a NTFCAP, unless the Preliminary Amendment includes a substitute specification.

Thus, if we receive an executed application, we now will automatically prepare the substitute specification for filing with the Preliminary Amendment if it is possible for us to do so (for example, if we have an electronic version of the application or, if we do not have an electronic version, if it is possible for us to make the clean copy of the substitute specification and the marked-up copy by cutting and pasting the added text onto a hard copy of the specification). In the instances where we cannot prepare the substitute specification, it may be necessary to prepare the Preliminary Amendment that amends (or adds) specific

paragraphs of the specification, which will result in issuance of a NTFCAP. Responding to the NTFCAP may be less burdensome than obtaining supplemental signatures from the inventors (if the application is revised and filed without a Declaration), and should be less expensive than responding to a Notice to File Missing Parts of Application because there will be no government fee for the NTFCAP. Of course, if the new application is forwarded to us without an executed Declaration, then we recommend authorizing Oliff & Berridge to revise the application before it is filed to avoid the need for a substitute specification and its associated costs.

3. Postpone Filing the Preliminary Amendment

Another option would be to postpone filing a Preliminary Amendment until after the application is filed and we receive the serial number from the Patent Office. This option would be acceptable if the proposed changes do not add new matter and do not add continuity data. For example, this option would be acceptable when the changes only correct typographical errors, and it is not important for the changes to appear in the published application. This option is not available if the changes add new matter because new matter must be filed with the new application. In addition, as noted above, we do not recommend postponing the addition of the continuity data to a specification because of the deadline imposed by 37 C.F.R. §1.78(a)(2).

4. File the Preliminary Amendment with the New Application and without a Substitute Specification

Of course, another option would be to continue the current practice of filing a new application with a Preliminary Amendment that does not include a substitute specification and to respond to the NTFCAP by filing a substitute specification. As noted above, this may be the preferred option if an application requiring revisions is forwarded to us with an executed Declaration and it is not possible for us to prepare a substitute specification.

III. Conclusion

In summary, due to the Patent Office's change in procedure for handling new applications filed with a

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Preliminary Amendment to the specification, we recommend revising the application prior to filing (and preferably prior to submitting the application to the inventor(s) for execution), if possible, rather than filing a Preliminary Amendment. This should be easy to do when the material to be added to the specification is continuity data and/or priority application data because that information should be available before the application is forwarded to the inventor(s) for execution and subsequent filing in the United States. If it is not possible to revise the application, then we will prepare a substitute specification for filing with the Preliminary Amendment, if possible. To assist us in preparing the substitute specification, we recommend that our clients provide us with an electronic version of the application when the application is initially sent to us for filing with the Patent Office.

We welcome any questions that you may have regarding this new Patent Office procedure and possible ways of avoiding the issuance of a NTFCAP.

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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 Oliff & Berridge, PLC. Readers should seek the advice of professional counsel before acting upon any of the information contained herein.

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