



AMERICAN INTELLECTUAL PROPERTY LAW ASSOCIATION

2001 JEFFERSON DAVIS HIGHWAY ■ SUITE 203 ■ ARLINGTON, Virginia 22202

February 10, 2005

The Honorable Jon Dudas  
Under Secretary of Commerce for Intellectual Property  
and Director of the United States Patent and Trademark Office  
Box Comments - Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

Comments On Interim Rule Entitled "Changes to Implement the  
Cooperative Research and Technology Enhancement Act of 2004,  
70 Federal Register 1818 (January 11, 2005)

Dear Mr. Under Secretary,

The American Intellectual Property Law Association (AIPLA) appreciates the opportunity to offer comments regarding the interim rule directed to implementation of the Cooperative Research and Technology Enhancement Act of 2004 (CREATE Act) published at 70 Fed. Reg. 1818 (January 11, 2005).

AIPLA is a national bar association whose more than 16,000 members are primarily lawyers in private and corporate practice, in government service, and in the academic community. The AIPLA represents a wide and diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property.

Before addressing specific provisions in the interim rule, we address two items contained in the supplementary information that are not reflected in any specific provision of the interim rule, but do bear on the policies and practices adopted by the Patent and Trademark Office (Office) in its implementation of the CREATE Act.

Under the American Inventors Protection Act (AIPA), 35 U.S.C. § 103(c) was amended to disqualify, for consideration under § 103, any prior art that would otherwise be available under § 102(e), where the prior art and the claimed invention were owned by, or subject to an obligation of assignment to, the same person. Prior art qualifying under §§ 102(f) and (g) had previously been disqualified as prior art under § 103 under

the same conditions. However, the disqualification of § 102(e) prior art was only effective with respect to applications filed on or after the effective date of the AIPA, November 29, 1999.

In the interim rule notice, the Office states (70 Fed. Reg. at 1819):

“Section 3 of the CREATE Act provides that its amendment shall apply to any patent (including any reissue patent) granted on or after December 10, 2004....Since the CREATE Act also includes the amendment to 35 U.S.C. 103(c) made by section 4807 of the American Inventors Protection Act of 1999 (see Pub. L. 106-113 Stat. 1501, 1501A-591 (1999)), the change of “subsection (f) or (g)” to “one or more of subsections (e), (f), or (g)” in 35 U.S.C. 103(c) is now also applicable to applications filed prior to December (sic) 29, 1999, that were pending on December 10, 2004.”

If we understand this correctly, the Office considers Section 3 of the CREATE Act to make the amendments to 35 U.S.C. § 103(c) to disqualify § 102(e) prior art contained in the AIPA retroactively applicable to any patent granted on or after December 10, 2004, including those filed before November 29, 1999. We disagree.

The effective date provisions of the CREATE Act specifically state that “the amendments made by this Act shall apply to any patent granted on or after the date of the enactment of this Act” (emphasis supplied). In our view, this does not establish authority for the Office to apply the provisions of § 103(c) regarding § 102(e) prior art in effect prior to December 10, 2004, to an application filed prior to November 29, 1999. This position appears to be based on Section 3 of the CREATE Act, which states that “The amendments made by this Act shall apply to any patent granted on or after the date of enactment of this Act.” While it is recognized that the text of § 103(c)(1) is not identical to the text of § 103(c) as it existed just prior to the enactment of the CREATE Act (the word “claimed” was inserted in the phrase “at the time the claimed invention was made” and paragraph numbering was adjusted to accommodate implementation of the CREATE Act), there is no indication anywhere in the Act or its legislative history that the CREATE Act changed the substance, or was intended to change the “effective date” provisions, of § 103(c) regarding § 102(e) prior art as it existed before December 10, 2004.

The Office indicated that if an applicant responds to a rejection by invoking § 103(c), the Office action can be made final if the only new rejection is a double patenting rejection necessitated by amendment of the application by Applicant (or Patentee in reexamination), regardless of whether the claims have been amended. While this seems harsh in a situation where the Office has addressed double patenting

for the first time in the final Office action, we hope that the Office will consider an appropriate terminal disclaimer filed in reply to the final Office action as timely and effective to avoid the double patenting rejection.

**Interim Section 1.71 – Detailed Description and Specification of the Invention:**

Interim § 1.71(g) indicates that the specification may disclose or be amended to disclose the names of the parties to a joint research agreement. If the specification discloses or is amended to disclose the names of the parties, paragraph (g)(1) specifies additional information that must be provided; paragraph (g)(2) sets forth a fee that must be filed if the information required by paragraph (g)(1) is not filed within one of four periods specified; and, paragraph (g)(3) lists the requirements that must be satisfied if information regarding a joint research agreement is filed after the date the issue fee is paid. In our opinion, the Office has not properly addressed the requirements of § 103(c)(2), has made the process of invoking the provisions of the CREATE Act unnecessarily complicated, and has imposed an unnecessary fee for an amendment in accordance with interim § 1.71(g) if it is filed outside certain periods in the prosecution of an application.

In paragraph (1) of interim § 1.71(g), the Office states that if the specification is amended to disclose the names of the parties to a joint research agreement, it must also provide (i) the date the joint research agreement was executed; and (ii) a concise statement of the field of the claimed invention. The latter two requirements are neither consistent with the new statutory provisions, nor calculated to provide information to the Office and the public that an applicant is entitled to rely on the provisions of § 103(c)(2). Specifically, the CREATE Act requires that the claimed invention was made “by or on behalf of parties to a joint research agreement that was in effect on or before the date the claimed invention was made.” The information required by the Office does not illuminate whether the claimed invention “was made by or on behalf of parties to a joint research agreement” and provides no indication that the invention was made after the joint research agreement was “in effect.”

Secondly, a concise statement of the field of the claimed invention, which should be apparent from the claimed invention itself, provides no information as to whether “the claimed invention was made as a result of activities undertaken within the scope of the joint research agreement” as required by § 103(c)(2)(B). Accordingly, if the purpose of the Office in requiring an applicant or patentee to provide certain information is to demonstrate that it has satisfied the provisions of § 103(c)(2), the information requested is not consistent with the statute or calculated to provide the information necessary to establish eligibility under this new statutory provision. Accordingly, the Office should revise this interim rule to require information consistent with the statutory requirements or adopt a simpler approach that we suggest below.

Secondly, we consider the imposition of a fee in interim § 1.71(g)(2) for filing an amendment at certain points in the prosecution to be unnecessary. While we recognize that it is possible for an applicant to invoke the provisions of the CREATE Act before the Office has taken a position concerning the patentability of the claims over a particular patent or pending application, the fact that an applicant waits for such a rejection to be made should not result in the penalty of a fee. It would not appear that the duties and responsibilities of Office personnel would change depending on the period of time in which the amendment is filed. Accordingly, we request that the Office withdraw its requirement for a processing fee.

Third, although we understand the differences in procedure between submitting an amendment before the issue fee is paid and after the issue fee is paid, we do not understand why the information to be provided at the different points in the prosecution of an application should differ. Specifically, in interim § 1.71(g)(3), reference is made to a patent that does not include the names of the parties to the joint research agreement, and that such an amendment would not be effective unless the patent is corrected by a certificate of correction. The information provided in a certificate of correction should parallel the information that is required in paragraph 1 of interim § 1.71(g) and also include the appropriate date and whatever concise statement that the Office ultimately requires.

The Office should consider an approach of invoking the provisions of 35 U.S.C. § 103(c)(2) that is based on a written contract, grant, or cooperative agreement that is similar to an assignee taking action in an application or patent pursuant to a written assignment. Specifically, under 37 C.F.R. § 3.73(b), an assignee can establish its authority to act in a particular application or patent by providing a copy of the documents that establish it to be the assignee, or provide a statement specifying where documentary evidence of a chain of title from the original owner to the assignee is recorded in the assignment records of the Office. Similarly, an applicant or a patentee could establish its right to invoke the provisions of § 103(c)(2) by submitting a copy of the joint research agreement or providing an indication of where it is recorded in the assignment records of the Office, coupled with a statement that could be placed in the specification or the remarks in a paper filed with the Office that:

The claimed invention [or invention of claims \_\_\_\_\_] was made by or on behalf of parties to a joint research agreement that was in effect on or before the date the claimed invention was made, and as a result of activities undertaken within the scope of the joint research agreement. The parties to the joint research agreement are: \_\_\_\_\_ and \_\_\_\_\_.

It is recognized that the last sentence must appear in the specification in accordance with the requirements of § 103(c)(2)(C). The Office could adopt the policy and practice

of accepting such a self-certification statement to establish eligibility under § 103(c)(2) without further review, but would not be precluded from raising questions of eligibility in appropriate circumstances.

Under our proposed approach, applicants and patentees could file copies of the written agreement with proprietary business information redacted, so long as information was not redacted that would establish eligibility for exceptional treatment under § 103(c)(2). This proposed procedure would simplify the process for applicants, patentees, and the Office, and provide a public record of the joint research agreement that gave rise to this exceptional treatment.

#### **Interim § 1.109 - Double Patenting:**

The paragraphs in this interim section should be revised to state when judicially created double patenting is appropriate, rather than a statement of when a double patenting rejection will be made in an application or patent under reexamination. For example, such a rejection is not going to be made when an appropriate terminal disclaimer has been filed. Accordingly, each of paragraphs (a) and (b) should be revised to state: “Unless an appropriate terminal disclaimer in accordance with § 1.321 has been filed, judicially created double patenting is applicable in an application or patent under reexamination if . . .”

As currently drafted, interim § 1.109(b) extends the doctrine of judicially created double patenting beyond that contemplated by the legislative history of the CREATE Act. Specifically, the interim section indicates that judicially created double patenting is applicable in all circumstances defined in paragraph (b), rather than being limited to those described situations where the provisions of § 103(c)(2) are invoked by an applicant or patentee.

#### **Interim § 1.321 - Statutory Disclaimers, including Terminal Disclaimers:**

While it is recognized that the legislative history suggests that judicially created double patenting may be appropriate in circumstances where § 103(c)(2) is invoked, and that a terminal disclaimer with certain provisions would be appropriate in avoiding such a rejection, the Office may have gone too far in specifying the provisions of an appropriate terminal disclaimer. Specifically, while some have suggested that the Office has no statutory authority to require a terminal disclaimer to contain any provisions regarding licensing of a patent, the provisions adopted by the Office in paragraph (d)(4) may go too far in addressing the concerns expressed by Congress in the legislative history.

It is our understanding that Congress intended that parties who seek benefits under the CREATE Act would waive certain rights regarding enforcement and licensing to protect the public from a requirement to defend multiple enforcement actions or

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obtain multiple licenses under patents linked by a terminal disclaimer filed pursuant to interim § 1.321(d). However, it would appear that the public would be protected so long as third parties are not subjected to multiple enforcement actions or a requirement for multiple licenses, even though only one patentee enforces its patent or only one patentee requires a license under its patent. Accordingly, if the provisions in interim § 1.321(d)(4) do not preclude one patent owner from enforcing its patent or licensing its patent separately from the other patent owner, this waiver provision is not violated so long as the other patent owner does not also attempt to enforce, or require a license under, its patent. Clarification is requested.

**Interim §§ 3.11 - Documents Which Will be Recorded and 3.31 - Cover Sheet  
Content:**

The provisions of these sections should be coordinated and be consistent with the approach adopted by the Office in interim § 1.71(g). To the extent the Office adopts the suggestion provided above, the amendments to these sections can be simplified by indicating that a joint research agreement or an excerpt thereof can be recorded, and providing the information required for a cover sheet in a request for recordation of a joint research agreement.

We appreciate the opportunity to provide comments on the interim rule and are available to assist the Office in its implementation of the CREATE Act.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael K. Kirk". The signature is fluid and cursive, with the first and last names being clearly legible.

Michael K. Kirk  
Executive Director  
AIPLA