

From: Winkler, Michael
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Attached are comments from the ABA Section of Intellectual Property Law on Changes to Implement the First Inventor to File Provisions of the Leahy-Smith America Invents Act, 77 Fed. Reg. 43742 (July 26, 2012) and Examination Guidelines for Implementing the First Inventor to File Provisions of Leahy-Smith America Invents Act, 77 Fed. Reg. 43759 (July 26, 2012).

Feel free to contact us if you have any questions.

Thank you.

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October 1, 2012

Via Electronic Mail
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The Honorable David Kappos
Under Secretary of Commerce for Intellectual Property
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Mail Stop Congressional Relations
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Re: *Comments on Changes to Implement the First Inventor to File Provisions of the Leahy-Smith America Invents Act, 77 Fed. Reg. 43742 (July 26, 2012) and Examination Guidelines for Implementing the First Inventor to File Provisions of Leahy-Smith America Invents Act, 77 Fed. Reg. 43759 (July 26, 2012)*

Dear Under Secretary Kappos:

I am writing on behalf of the American Bar Association Section of Intellectual Property Law (the "Section") to provide comments in response to the request the United States Patent and Trademark Office (the "Office" or the "USPTO") published in the Federal Register on July 26, 2012 ("Proposed Rules"). These comments have not been approved by the ABA House of Delegates or Board of Governors, and should not be considered to be views of the American Bar Association.

The Leahy-Smith America Invents Act ("AIA") is historic legislation that was intended to greatly simplify the use of the U.S. patent system by inventors and their respective assignees. It was similarly intended to simplify and make more efficient the patent application processing and examination activities of the Office. The Section is generally supportive of the Proposed Rules as furthering the objectives of the AIA and implementing its provisions accurately. However, the Section is not supportive when the rules unnecessarily impinge upon and burden applicants and their rights.

The Proposed Rules will treat commonly owned or joint research agreement patents and patent application publications as having the same inventive entity for the purposes of 35 U.S.C. §§ 102 and 103 as required under 35 U.S.C. § 102(c) of the AIA. 35 U.S.C. §102(c) of the AIA essentially broadens the current 35 U.S.C. §§ 103(c) by making these provisions usable for novelty. The broadened use of this exclusion should be beneficial to holders of large families of patents, and the Proposed Rules appear to track these new requirements accurately.

Because new 35 U.S.C. § 102(b) provides exceptions to 35 U.S.C. § 102(a) based upon prior disclosure by the inventor, the rule changes also allow the submission of affidavits or

declarations to show that a disclosure upon which a claim rejection is based was made by an inventor, joint inventor, or someone who obtained the disclosed subject matter from the

inventor or a joint inventor. These provisions will also allow the submission of affidavits to show that there was a prior public disclosure by an inventor, joint inventor, or someone who obtained the disclosed subject matter from the inventor or a joint inventor. This will be codified in 37 C.F.R. §§ 1.104, 1.130, and 1.131, and the Proposed Rules appear to track these new requirements accurately.

The following aspects of the Proposed Rules, however, are particularly worthy of comment and particularly implicate the balance between the burdens on the Office and the patent applicant: (1) requirements for statements to identify new matter; (2) accelerated filing of certified copy of foreign priority documents; (3) the meaning of otherwise available to the public; (4) the acceptable use of a reference disqualified as prior art under §102(b)(2)(C); (5) the office requiring an applicant to initiate a derivation proceeding; and (6) the standard of “same subject matter” under §102(b)(1)(B).

I. THE SECTION OPPOSES REQUIREMENTS FOR STATEMENTS TO IDENTIFY NEW MATTER

The USPTO is proposing to require the applicant to provide one of two statements in nonprovisional patent applications filed after the AIA first-inventor-to-file transition date (March 16, 2013) claiming priority or benefit from one or more pre-transition patent filings. One of the required statements is that the nonprovisional application is subject to the “claims or at any time claimed” provision of the AIA transition rules under which making any claim made to an invention with a post-transition effective filing date subjects the entire nonprovisional application to the new first-inventor-to-file provisions under the AIA. The other of the required statements applies where no such claim has been made, but the nonprovisional application contains new disclosure not found in one or more patent filings from which benefit or priority is claimed. In this case, the patent applicant must state that the nonprovisional patent filing discloses subject matter not also disclosed in the earlier application.

Because practitioners generally undertake patenting strategies that avoid serial patent filings of differing scope that contain both pre-transition and post-transition disclosure, the number of patent filings in which the “bridging” transition provisions of the AIA will be relevant should be miniscule. Thus, the problem the USPTO anticipates through this rulemaking should be miniscule. Accordingly, should the USPTO limit the application of the rule to this relatively small number of patent filings where it would be relevant, it would be a justifiable imposition on patent applicants.

In all other circumstances, the ABA IPL respectfully submits that adding this burden is unnecessary on applicants when for the majority of the cases nothing turns on the statement. The statement will be helpful to the Office only in a small minority of cases. The Examining Corps already handles this issue for pre-AIA applications used as prior art having priority claims to provisionals. See for example, MPEP § 201 wherein the MPEP explicitly defines a procedure for examiners basing a rejection on an intervening reference.

There does not appear to be any justification for dealing with the AIA applications any differently – for the vast majority of new patent filings – simply because it is now possible to resort to a foreign filing for a

prior art date. Further, if the priority document is a non-provisional, the statement would be redundant of the need to classify the application as “continuation-in-part”, continuation, and the like. If the examiner believes that an application does contain subject matter or a claim not entitled to priority, it can be addressed in an Office Action in much the same way that rejections on an intervening reference are currently handled – the examiner can allege that certain subject matter or claims do not go back to the priority application, and Applicant will then have an opportunity to respond in the context of a rejection over art or a Section 112 rejection for claim amendments that add subject matter. Furthermore, by dealing with this issue when it arises in the context of a rejection, any dispute over whether the application ever contained a claim directed to subject matter having an effective filing date after March 16, 2013, is appealable.

The statement, including the requirement to retract the statement in certain circumstances, is a significant burden on applicants – each application being filed on or after March 16, 2013, and claiming benefit of an application filed before March 16, 2013, must be carefully reviewed, and a statement submitted in appropriate cases. The only justification provided by the USPTO for this increased burden on applicants is that “This information will assist the Office in determining whether the application is subject to AIA 35 U.S.C. 102 and 103 or pre-AIA 35 U.S.C. 102 and 103.” (Page 43773, R column, 1st paragraph, last line). As noted by the USPTO:

“35 U.S.C. 102 continues to provide that the Office bears the initial burden of explaining why the applicable statutory or regulatory requirements have not been met if a claim in an application is to be rejected.” (Page 43763, L column, 2nd paragraph.)

The requirement for statements applying broadly to all patent filings shifts at least part of the initial burden onto applicants, which is improper, save for what might be a vanishingly small number of patent filings.

II. THE SECTION OPPOSES REQUIREMENTS FOR EARLY SUBMISSION OF A CERTIFIED COPY OF FOREIGN PRIORITY DOCUMENTS

A second requirement being imposed is to accelerate requirements for certified priority documents. In order to ensure that the foreign priority documents are received in time for publication and use, the USPTO is now requiring that the certified copy be received within the deadline now only required for submitting the priority claim: the later of four months from the filing date or sixteen months from the foreign priority date. The claim must also be included in an Application Data Sheet. Proposed rule 37 C.F.R. 1.55(d)(3) would require as follows:

The requirement in this section for the certified copy of the foreign application will be considered satisfied if:

- (i) The applicant files a request, in a separate document, that the Office obtain a copy of the foreign application from a foreign intellectual property office participating with the Office in a bilateral or multilateral priority document exchange agreement (participating foreign intellectual property office (see § 1.14 (h)(1)));
- (ii) The foreign application is identified in an application data sheet (§ 1.76(a)(6)); and

(iii) The copy of the foreign application is received by the Office within the period set forth in paragraph (a) of this section or by such later time as may be set by the Office.

Under Proposed rule 37 C.F.R. § 1.55(a), applicants must submit priority documents within “the later of four months from the actual filing date of the application or sixteen months from the filing date of the prior foreign application.” In contrast, under existing 37 C.F.R. § 1.55(a)(2), the certified copy does not need to be received at the USPTO until prior to grant of the patent. The reason for this change, according to the Proposed Rules, is as follows:

“Since patent application publications will have a prior art effect as of the earliest priority date (for subject matter disclosed in the priority application) with respect to applications subject to 35 U.S.C. 102, as amended by the AIA, the Office needs to ensure that it has a copy of the priority application by the time of publication.”

While the need for understanding the content of the priority document is understandable, the need for a certified copy of the priority document is not. As an initial point, the Office can readily obtain priority documents through its exchange mechanism with other patent offices. Further, foreign priority documents are published by the time of U.S. Publication under 35 U.S.C. §122(b). The use of foreign priority documents does not require use of a certified copy, but merely the published version of the application and any available abstracts thereof. See MPEP 706.02; 2127. It is unclear as to why a certified copy of the foreign priority document would in any manner be superior to these published versions, and especially as there is no guarantee that the foreign priority documents would be written in a language understandable to both the applicant and the Examiner. Therefore, the requirement for early submission does not appear to be a cost effective mechanism for achieving the goal of implementing the AIA.

On a more practical note, the rule requires *filing* the certified copy within the above deadlines. However, such filing deadlines may not be realistic as many events which can result in late filing are beyond the control of the applicant, including delays by the foreign patent office, mailing and courier delays, and even delays by the USPTO in requesting delivery under the priority document exchange program. As such, the basic timeline for filing the certified priority document may be impractical since many of the operations themselves are governed by domestic and foreign government bureaucracies over which the applicants have little control. Therefore, the requirement for early submission appears to have a number of practical drawbacks not accounted for in the rule.

III. THE MEANING OF “OTHERWISE AVAILABLE TO THE PUBLIC”

The Office further requested comment on the extent to which public availability plays a role with respect to “on sale” prior art defined in 35 U.S.C. 102(a)(1). ABA IPL respectfully submits that the passage “otherwise available to the public” reflects the touchstone of what constitutes prior art under the AIA under section 102(a)(1). This section requires availability to the public or public accessibility is an overarching requirement. Such accessibility is critical to provide a simpler, more predictable and fully transparent patent system. As such, for a “public use,” for a determination that an invention is “on sale,” as well as to assess whether an offer for sale has been made, the statutory requirements under the AIA require a public disclosure. Thus, non-public offers for sale (and non-public uses) would not qualify as prior art under the AIA.

The statute is not silent on the issue of whether each category of prior art under section 102(a)(1) requires public accessibility. The statute is explicit that this is the case. Moreover, in interpreting section 102(a)(1), the Office should consider the entirety of the new statutory scheme. Congress was globalizing prior art, whatever activity constitutes a prior art disclosure if undertaken in the United States, equally represents prior art if instead the activity took place anywhere else in the world. Moreover, Congress collapsed pre-AIA section 102(a) and section 102(b), which respectively dealt with prior art activities “by others” and prior art activities “by anyone” taking place more than one year prior to the effective filing date in the United States for a claimed invention. New section 102(a)(1) is unambiguously written to cover activities of anyone, taking place anywhere, at any time before the effective filing date for a claimed invention.

If section 102(a) is read to include “offers for sale” that do not constitute publicly available disclosures, then it would render as secret offers made by anyone, anywhere in the world, at any moment in time before a patent on the claimed invention was filed patentability-defeating prior art. Given the plain statutory language imposing the overarching requirement for public accessibility, the unambiguous statutory text would effectively be turned on its head by this interpretation. The Section does believe that there is any basis on which the Office can, under the AIA, expand a very narrow pre-AIA secret “on sale” bar – one that only applied to disclosures made more than one year before a U.S. patent filing, only applied to offers made in the United States, and only applied if the activity was undertaken by or at the behest of the inventor/patentee – to an anywhere, anywhere, by anyone bar to patenting.

Thus, whether looking at the phrase “or otherwise available to the public” in total isolation, or in context with the remainder of section 102, or in context with the remainder of the coordinated statutory changes made under the AIA, the Section believes that the statute can only be given one construction, a construction confirmed through the legislative history of the statute, that an “offer for sale” can constitute prior art under section 102(a)(1) only to the extent the activities constituting the offer amount to a disclosure available to the public.

IV. THE SECTION OPPOSES USING DISQUALIFIED PRIOR ART TO SHOW THE STATE OF THE ART

The examination guidelines state that references that are disqualified as prior art under the §102(b)(2)(C) exception for patents and published patent applications can be used in certain situations:

[T]he U.S. patent, U.S. patent application publication, or WIPO published application that does not qualify as prior art as a result of AIA 35 U.S.C. 102(b)(2)(C) may be cited, in appropriate situations, to indicate the state of the art when making a lack of enablement rejection under 35 U.S.C. 112(a). (Page 43770, R column, mid-1st paragraph.)

The footnote to this passage refers to M.P.E.P. §2124, and states that

[P]ublications after the critical date may be used to show factual evidence that, as of an application’s filing date, undue experimentation would have been required to make or use the invention.

Respectfully, this improperly equates things that are inconsistent and mis-states the law. First, M.P.E.P. §2124 lists several situations in which a reference that postdates applicant's filing date may be used; showing the state of the art is not one of the listed instances. M.P.E.P. §2164.05(a) makes clear that references cited to show the state of the art must pre-date the application's filing date:

The state of the art existing at the filing date of the application is used to determine whether a particular disclosure is enabling as of the filing date. ... Publications dated after the filing date providing information publicly first disclosed after the filing date generally cannot be used to show what was known at the time of filing.

Indeed, it would be inconsistent to disqualify a document as prior art under §102(b)(2)(C) and then apply the reference to show the state of the art.

V. THE SECTION OPPOSES THE OFFICE REQUIRING DERIVATION PROCEEDINGS.

In relation to Proposed Rule 41.401, the USPTO has stated:

[W]here the claims of the cited prior art, which names another inventor and is a U.S. patent, or U.S. patent application publication, ... the Office may require an applicant to file a petition for derivation proceeding pursuant to 37 C.F.R. 41.401 et seq. of this title. (Page 43769, M column, penultimate paragraph.)

There is no further guidance given to indicate when a derivation request may be required. Although Interferences can be declared *sua sponte* by the USPTO, the USPTO cannot do so for derivation proceedings because there is no statutory authorization. Under the AIA, 35 U.S.C. §135(a) states that "An applicant for patent may file a petition to institute a derivation proceeding." Since derivation requests are statutorily permissive, the USPTO should suggest or recommend, but not require, a derivation proceeding.

The Section believes that the public interest is not served, however, by the issuance of two patents on the same patentable invention. Thus, rather than requiring the initiation of a derivation proceeding, the Office should consider a rule that would not allow a section 102(b)(2)(A) exception from prior art to extend to *claimed* subject matter in an earlier patent filing, only the *disclosed* subject matter.

If the USPTO promulgated such a regulation, an applicant for patent would have the option of seeking a derivation proceeding or, if the claimed subject matter was contained in an issued patent, seeking post-grant review of the patent. Post-grant review, for example, could be based on section 101 invalidity ("Whoever invents or discovers..."), specifically the claimed invention is invalid because the inventor of the patent is incorrectly named.

Thus, the Section would urge that the USPTO should consider providing that a claimed invention in an patent or published patent application of another with an effective filing date that is earlier than the effective filing date of a claimed invention under examination cannot be excepted from prior art under section 102(b)(2)(A) and a patent can issue on a claimed invention only if the claims with the earlier effective filing date are canceled via a derivation proceeding or post-grant review proceeding.

VI. THE SECTION SUPPORTS THE STANDARD OF “SAME SUBJECT MATTER” FOR DISQUALIFIABLE DISCLOSURES UNDER THE “SUBPARAGRAPH (B) EXCEPTIONS”

USPTO describes the standard for the “same subject matter” in a disqualifiable disclosure as follows:

Even if the only differences between the subject matter in the prior art disclosure that is relied upon under 35 U.S.C. 102(a) and the subject matter [that can be disqualified under §102(b)] are mere insubstantial changes, or only trivial or obvious variations, the exception under 35 U.S.C. 102(b)(1)(B) does not apply. (Page 43767, M column.)

This standard is proper and should be applied strictly. While contentions have been made that a strict construction of this provision could negate the benefit of the disclosure-disqualification provisions provided in the “subparagraph (B)” provisions of the statute, any failure to apply these provisions strictly could have the unacceptable consequence of giving benefits to those who publish on inventions that could not be obtained if instead the inventor had undertaken a patent filing, disclosing the published subject matter.

The issue is whether the disclosure is disqualified as a reference for §102/§103 rejections. Thus, the “same subject matter” standard need be no stricter than that used for anticipation. Anticipation rejections need not be verbatim: "The elements must be arranged as required by the claim, but this is not an *ipsissimis verbis* test." (M.P.E.P. §2131.) Elsewhere in the examination guidelines, the USPTO states that

The two basic requirements that must be met by a prior art disclosure in order to describe a claimed invention under AIA 35 U.S.C. 102 are the same as those under pre-AIA 35 U.S.C. 102. (Page 43764, M column, 2nd paragraph.)

M.P.E.P. §2163, part II.A.3.a, states that

If a skilled artisan would have understood the inventor to be in possession of the claimed invention at the time of filing, even if every nuance of the claims is not explicitly described in the specification, then the adequate description requirement is met. See, e.g., *Vas-Cath*, 935 F.2d at 1563, 19 USPQ2d at 1116; *Martin v. Johnson*, 454 F.2d 746, 751, 172 USPQ 391, 395 (CCPA 1972) (stating "the description need not be in *ipsis verbis* [i.e., "in the same words"] to be sufficient").

The ABA IPL Section urges that the standard is anticipation not obviousness. Variations, even obvious variations, in an intervening publication would preclude the applicability of 35 U.S.C. 102(b)(1)(B) as to the variations.

In view of the need for clarity on the scope of the 35 U.S.C. 102(b)(1)(B) exception, the Section urges the Office to expand its examination guidelines to be clearer regarding the scope of the exception under 35 U.S.C. 102(b)(1)(B). For example, the guidelines could include examples, such as the following:

- A. Inventor publicly discloses Z. A third party publishes Z and B. Inventor files on Z. The third party publication may be eliminated as a reference as to Z, but not as to B even if B represents a obvious variant of Z.

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- B. Inventor publicly discloses a broad description (e.g., genus or class of chemical compounds) and a particular embodiment (e.g., chemical compound A). A third party publishes compound B, which falls within the genus of chemical compounds. Inventor files on the genus and species A. The third publication cannot be eliminated as it is not the “same subject matter.” It discloses compound B. As such, the third party publication is prior art. A patent may still be granted to species A if A is patentable over B.
- C. Inventor publicly discloses A. A third party publishes A’ (A’ is an obvious variant of A). The third party publication cannot be eliminated as prior art under 35 U.S.C. 102(b)(1)(B) as A’ is not the “same subject matter” as A.

If you have any questions on our comments or would wish for us to further explain any of our comments, please feel free to contact me. Either I or another member of the leadership of the Section will respond to any inquiry.

Very truly yours,



Joseph M. Potenza
Section Chair
American Bar Association
Section of Intellectual Property Law