



What to Expect with the New Rules of the Patent and Trademark Office: Although on Hold for Now, Rule Changes May Yet Transform Patent Prosecution

A dramatic reversal. On October 31, 2007, the day before the Patent and Trademark Office had slated sweeping changes (described in our previous Alert [here](#)) in its patent practice rules, a federal court in Alexandria, Virginia, enjoined the Patent and Trademark Office from implementing them. The injunction, stemming from lawsuits filed by an individual (Tafas) and a pharmaceutical group (Glaxo Smithkline Beecham) against the Patent and Trademark Office challenging the rule changes, is preliminary, and will last until the court rules on the merits of the challenge.

A year of uncertainty. Because a hearing on the merits of the challenge will not begin until at least the end of February, a decision on the merits of the challenge is unlikely to come before mid-2008. Moreover, that decision in turn may be appealed by the losing party to the Court of Appeals for the Federal Circuit (and subject to possible review by the Supreme Court). These circumstances suggest that it is unlikely that rule changes will be implemented before mid-2009.

Rule changes at risk. Do not count on no rule changes, however. There is still a major risk that rule changes will transform patent prosecution. Although the Patent and Trademark Office may be unlikely to win in front of the trial court in Alexandria, it may win on appeal next year. Or it may benefit from a legislative end run—Congress might itself limit continuations, or even give the Patent and Trademark Office “substantive rulemaking authority,” rights that would permit the Patent and Trademark Office to issue the rules that the court has up to now found probably unauthorized by Congress. Moreover, absent a complete court loss by the Patent and Trademark Office, some types of rule changes might escape invalidation, a result permitting the Patent and Trademark Office to implement the rules that will have not been shot down. For example, even if the proposed limitations on filing of continuation applications are struck down by the courts, it may be that other planned rules, such as placing limitations on the numbers of claims that may be pursued at the same time in an application or requiring reporting of the filing of related applications, will be sustained.

Patent strategies for an environment of shifting rules. Because rule changes cannot be ruled out, patent strategies must take these risks into account. We suggest the following strategies for the present environment:

- Start working now to make patent prosecution as compact as feasible.
- Avoid filing unnecessary continuation applications and Requests for Continued Examination (RCEs). Don't waste responses. As early as possible put claims in shape for allowance based on all known prior art. Use each response to provide full arguments for allowance. When an application has been the subject of a final rejection by the Patent and Trademark Office, give serious consideration to pursuing an appeal.
- But if RCEs and continuations (including continuations in part and divisionals) can make a difference, use them as early as possible. Use an RCE to get an important prior art reference considered after an allowance. Use an RCE to get additional needed evidence on the record after a final rejection.
- Where possible, develop focused applications directed to discrete technological areas; where focused applications are not feasible, develop claim sets that show clear distinctions among groups of claims, as well as a description that supports these distinctions.
- Use patent searches to learn the prior art. Compact patent prosecution can be much more easily implemented with pre-filing patent novelty investigations in hand. Knowing the prior art makes it easier to craft better and more focused patent applications.
- File Information Disclosure Statements as early as possible, in view of imminently expected rules affecting them.

Dealing with uncertainty. The cloud of uncertainty created by big rule changes put on hold by the courts poses a serious challenge to companies that depend on patents. Wise choices become both harder and more important in this environment. The approaches we suggest here will provide strategic benefits regardless of most of the changes the future may bring. Specific circumstances require specific solutions, and we are glad to respond to client inquiries at any time.