

## New USPTO Rules for Continuation Applications and Claim Examination

August 29, 2007

On August 21, 2007, the United States Patent and Trademark Office (USPTO) published final rules regarding continuation and claim examination practice. Depending on the circumstances of your patent portfolio, these final rules will affect U.S. patent prosecution practice. Though the rules go into effect on November 1, 2007, certain patent prosecution actions taken prior to this effective date may affect options available after November 1, 2007.

This memorandum first summarizes many of the final rules and then outlines some of the more immediate issues to consider when practicing under these rules. While the memo alerts you to some of the broad issues and strategic concerns that arise under the new rules, it does not recommend any particular strategy for specific cases. Each situation is different, depending on the particular facts and applicable legal principles.

### Continued Examination Filings

The new rules limit the number of continuing applications and Requests for Continued Examination (RCE) that can be filed from an original patent application, without having to file a petition justifying the filing. Specifically, Applicants can file two continuation applications (or continuation-in-part (c-i-p) applications) and a single RCE in an application family. A continuation (or c-i-p) application cannot be exchanged for an RCE and vice versa.

Applicants may file divisional applications if a prior-filed application was subject to a restriction requirement and the divisional application claims only unexamined, non-elected inventions. The divisional application does not need to be filed during the pendency of the application that received the restriction requirement, but can be filed from any pending application in the application family that received the restriction. Two continuations and a single RCE, but no c-i-p application, may be filed from the divisional application without the need to file a petition.

For application families that already have at least two continuations as of August 21, 2007, the new rules allow for "one more" continuation application. For application families that already have at least one RCE prior to

November 1, 2007, any RCE filed on or after November 1, 2007 will require a petition. The petition requesting an additional RCE or continuation application beyond those permitted by right requires a showing that the amendment, argument, or evidence sought to be entered could not have been previously submitted. While the standard for petitions currently is unknown, it should be expected that the USPTO will grant such petitions only under very narrow circumstances.

### Examination of Claims

The new rules also limit the number of claims that will be examined in an application unless an Examination Support Document (ESD) is filed in the application. Five independent claims and 25 claims total will be examined without an ESD. An ESD, which must be filed before a first Office Action on the merits (FAOM), requires a detailed statement explaining how a preexamination search by the Applicant satisfies the new rules, a listing of references from the search, an identification of claim limitations disclosed by each reference, and a detailed explanation of patentability of the independent claims in the application. We expect these requirements to significantly limit the applications in which filing an ESD is considered desirable.

The 5/25 claim threshold will apply to any patent application that has not received a FAOM before November 1, 2007. The USPTO will notify Applicants of applications that exceed the 5/25 claim threshold and will set a time period to conform the application with the new rules. In certain situations, applications not in compliance with the 5/25 claim threshold prior to a FAOM will be subject to a reduction in patent term adjustment.

More than 5 independent claims and 25 claims total can be filed in an application if the application claims more than one invention and a Suggested Requirement for Restriction (SRR) is filed in the application prior to a FAOM or restriction requirement. If the examiner agrees with the SRR, the elected claims (which must number less than 5/25 unless an ESD is also filed) will be examined

and the non-elected claims withdrawn. The non-elected claims may be pursued in divisional applications.

In certain circumstances, the claims of multiple applications count against the 5/25 claim threshold. For example, all claims of commonly owned copending applications having a patentably indistinct claim will be included to determine whether the 5/25 claim threshold is exceeded. In the absence of good and sufficient reasons, the USPTO may require elimination of patentably indistinct claims from all but one of the patent applications.

To assist the USPTO in identifying applications having at least one patentably indistinct claim, the new rules require Applicants to identify commonly owned patent applications or patents that have at least one inventor in common and a filing or claimed priority date (U.S. or foreign) that is within two months of any of the filing or claimed priority dates of another application. The new rules requiring this identification apply to applications pending on or after November 1, 2007. For applications filed before November 1, 2007, the identification in most cases must be made by February 1, 2008.

### **Prosecution Under the New Rules**

We recommend that your patent portfolio be examined to identify where a patent family falls with respect to the continuing application limits and the claim examination threshold, the stage of prosecution in pending applications, and the relationship of pending claims. Any future action in a patent family should recognize any pertinent effects of the new rules. The following comments identify just a few of the more immediate issues to consider when practicing under these rules.

The extension of the 5/25 claim threshold to other copending applications, and the ability of the USPTO to eliminate patentably indistinct claims from all but one application, significantly reduces possible benefit in filing numerous continuation applications containing patentably indistinct subject matter, prior to the November 1, 2007 effective date of the rules.

The filing of a continuation, c-i-p, or divisional application on or after August 21, 2007 will eliminate the "one more" continuation application referenced above.

An RCE that would not be permitted on or after November 1, 2007 would be permitted prior to November 1, 2007. Thus, for example, in applications where a continued examination filing needs to be made prior to November 1, 2007, and the application family already includes two continuations and an RCE, the filing of an additional RCE rather than a continuation application should be considered. This will preserve the "one more" continuation filing for the family. A continuation application, however, provides greater flexibility in presenting new claims.

Applicants should evaluate current claims in pending applications and consider adding claims to unclaimed disclosure, with or without an SRR, or amending the claims to comply with the 5/25 claim limits.

Applicants should identify claims in a c-i-p application that are supported by the prior-filed application. Unidentified claims will be subject to prior art based on the c-i-p's actual filing date, and a new rejection necessitated by a late claim identification may be made final.

Consider how best to identify applications having a common inventor, a common owner, and filing dates (actual or any benefit priority claim) within two months of each other. As discussed above, an identification of such applications in most cases must be made by February 1, 2008.

The new rules affect various other prosecution practices and strategies, including reissue, reexamination, deferring examination, new application preparation, and the use of certain prosecution practices that promote greater efficiency, such as interviews. We look forward to working with you as practice develops according to these new rules. If you would like us to study your patent portfolio and help you develop strategies specific to your portfolio in advance of the effective date, please contact us as soon as possible.