

U.S. District Court Declares USPTO's 'Final Rules on Claims & Continuations' to be 'Void'

Today, the United States District Court for the Eastern District of Virginia rejected, at least temporarily, the United States Patent and Trademark Office's (USPTO's) attempt to change many of its longstanding rules governing the filing and prosecution of patent applications. In *Tafas v. Dudas et al.* and *Smithkline Beecham Corp. et al. v. Dudas et al.*, the court granted a summary judgment in favor of plaintiffs who had challenged the rules, declaring the United States Patent and Trademark Office's (USPTO's) "Final Rules on Claims & Continuations" ("final Rules" to be substantive rather than procedural, and therefore beyond the rulemaking authority of the USPTO. Accordingly, the Court found the promulgation of the rules to be in violation of the Administrative Procedure Act and the rules themselves "void" under 5 U.S.C. § 706(2).

The proposed rules would have brought about several changes in patent applications, such as restricting the number of claims that may be filed in a patent application or requiring an applicant to conduct a patentability search and to demonstrate how the claims are patentable, limiting the number of continuing applications that may be filed from an original patent application, constraining how and when the priority of earlier applications can be claimed, and requiring applicants to identify the priority date for each claim in a continuation-in-part application and to identify to the USPTO all commonly assigned patents and applications that have at least one common inventor and that have a filing or priority date within two months of one another.

The Court's written opinion sets forth the bases for its determination that the changes made in the Final Rules were substantive. The Court declined to address any of the other issues that the parties had raised.

The PTO may appeal today's decision or it may attempt to promulgate revised rules consistent with the Court's decision. Alternatively, the USPTO may seek legislation to implement the changes that would have been made by the Final Rules or to authorize the USPTO to make such rule changes. Until the USPTO is successful in one of those venues, the application rules, as they existed before the Final Rules, remain in effect.

Today's decision may also have an effect on the USPTO's pending proposal to change the rules on the citation of prior art during examination of an application. That proposal ("the IDS Rules") was believed ready to go into effect momentarily, and would shift the burden to the applicant to demonstrate patentability if the applicant calls more than a specific number of prior art documents to attention of the Examiner. The Court opined, however, that it was the USPTO that had the burden of initially demonstrating unpatentability. The proposed IDS rules would shift the burden to the applicant to demonstrate patentability if the applicant calls more than a specific number of prior art documents to the attention of the Examiner.

Contact Information

If you have any questions about this or other related issues, please contact your usual Ropes & Gray attorney or:

Jeffrey H. Ingerman

Jane T. Gunnison

James F. Haley, Jr.

This alert should not be construed as legal advice or a legal opinion on any specific facts or circumstances. This alert is not intended to create, and receipt of it does not constitute, a lawyer-client relationship. The contents are intended for general informational purposes only, and you are urged to consult your own lawyer concerning your own situation and any specific legal questions you may have.