

DEPARTMENT OF COMMERCE

Patent and Trademark Office

Notice of Public Hearing and Request for Comments on Procedures for Recording Patent Prosecution File Histories

AGENCY: Patent and Trademark Office, Commerce.

ACTION: Notice of Hearing and Request for Public Comments.

SUMMARY: Recent decisions by the United States Supreme Court and the United States Court of Appeals for the Federal Circuit highlight the crucial role a prosecution history plays in determining the validity and scope of a patent. *See, e.g., Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 117 S. Ct. 1040, 41 USPQ2d 1865 (1997); *Markman v. Westview Instruments*, 52 F. 3d 967, 34 USPQ2d 1321 (Fed. Cir. 1995), *aff'd*, 116 S. Ct. 1384, 38 USPQ2d 1461 (1996); *Vitronics Corp. v. Conceptronic Inc.*, 90 F.3d 1576, 39 USPQ2d 1573 (Fed. Cir. 1996). In response, the United States Patent and Trademark Office (PTO) requests public comments on issues associated with procedures for recording complete and accurate patent prosecution history records. Interested members of the public are invited to testify at the hearing and to present written comments on any of the topics outlined in the supplementary information section of this notice.

DATES: A public hearing will be held on November 18, starting at 9:00 a.m. and ending no later than 5:00 p.m. If sufficient interest warrants, an additional public hearing will be held in an alternate location, for example, in California, or by televideo conference.

Those wishing to present oral testimony at the hearing must request an opportunity to do so no later than November 3, 1997.

To ensure consideration, written comments must be received at the PTO no later than November 18, 1997. Written comments and transcripts of the hearing will be available for public inspection on or about December 1, 1997.

ADDRESSES: The November 18, 1997 hearing will be held in the Commissioner's Conference Room located in Crystal Park Two, Room 912, 2121 Crystal Drive, Arlington, Virginia. Those interested in testifying or in submitting written comments on the topics presented in the supplementary information, or any other related topics, should send their request or written comments to the attention of Mary

Critharis addressed to Commissioner of Patents and Trademarks, Box 4, Patent and Trademark Office, Washington, DC 20231; or John Mr. Whealan addressed to Office of the Solicitor, Box 15667, Arlington, VA 22215. Written comments may be submitted by facsimile transmission to Mary Critharis at (703) 305-8885 or John M. Whealan at (703) 305-9373. Comments may also be submitted by electronic mail through the Internet to mary.critharis@uspto.gov or john.whealan@uspto.gov. Written comments will be maintained for public inspection in Crystal Park Two, Room 902, 2121 Crystal Drive, Arlington, Virginia. Written comments in electronic form may be made available via the PTO's World Wide Web site at <http://www.uspto.gov>. No requests for presenting oral testimony will be accepted through electronic mail.

FOR FURTHER INFORMATION CONTACT: Mary Critharis by telephone at (703) 305-9300, by facsimile at (703) 305-8885, by electronic mail at mary.critharis@uspto.gov, or by mail addressed to Commissioner of Patents and Trademarks, Box 4, Washington, DC 20231; or John M. Whealan by telephone at (703) 305-9035, by facsimile at (703) 305-9373, by electronic mail at john.whealan@uspto.gov, or by mail addressed to Office of the Solicitor, Box 15667, Arlington, VA 22215.

SUPPLEMENTARY INFORMATION:**I. Background**

The official record detailing the prosecution of a patent application in the United States Patent and Trademark Office (PTO) is more than just a historical record. During the life of a patent, the prosecution record defines the scope of the claimed invention and the patent owner's rights. Thus, the written record must clearly explain the rationale for decisions made during the examination of a patent application, including the basis for the grant. Moreover, once a patent has been granted, the official record will be closely scrutinized by potential licensees, competitors who must avoid infringing the claimed invention, or even those attempting to invalidate the patent. In the event of litigation, the record will serve as a primary basis for court determinations of issues regarding the validity or scope of the patent.

The written record created during the prosecution of a patent application, commonly referred to as the "file wrapper" or "file history," consists of all correspondence between an applicant and the PTO. The file history typically consist of the patent

application as originally filed, the cited prior art, all papers prepared by the examiner during the course of examination, and documents submitted by the applicant in response to the various requirements, objections, and rejections made by the examiner. In addition, the file history should contain a written record of all oral communications addressing patentability issues between the examiner and applicant. Examiners and applicants share the responsibility for the clarity, accuracy, and completeness of the file wrapper.

Recent decisions by the United States Supreme Court and the United States Court of Appeals for the Federal Circuit emphasize the importance of clear and complete prosecution histories in that they will look more closely at and place greater weight on patent prosecution histories. *See, e.g., Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 117 S. Ct. 1040, 41 USPQ2d 1865 (1997); *Markman v. Westview Instruments*, 52 F.3d 967, 34 USPQ2d 1321 (Fed. Cir. 1995), *aff'd*, 116 S. Ct. 1384, 38 USPQ2d 1461 (1996); *Vitronics Corp. v. Conceptronic Inc.*, 90 F.3d 1576, 39 USPQ2d 1573 (Fed. Cir. 1996). For example, in *Warner-Jenkinson*, the Supreme Court explained the importance of the prosecution history of a patent in determining infringement under the doctrine of equivalents. 117 S. Ct. at 1049-51, 41 USPQ2d at 1871-73. Specifically, the Court acknowledged that when the prosecution history reveals that a patent owner amended the claims by adding limitations to overcome the prior art, the patent owner will be estopped from alleging infringement under the doctrine of equivalents as to that amended limitation. *Id.* at 1051, 41 USPQ2d at 1873. Subsequently, the Court held:

Mindful that claims do indeed serve both a definitional and a notice function, we think the better rule is to place the burden on the patent-holder to establish the reason for an amendment required during patent prosecution * * *. Where no explanation is established, however, the court should presume that the PTO had a substantial reason related to patent-ability for including the limiting element added by amendment.

Id. The emphasis on the written record, including the prosecution history, to interpret the claims is further illustrated by the *Markman* and *Vitronics* decisions. In *Markman*, the Federal Circuit held claim interpretation is a question of law to be determined by the court based on three sources: the claims, the specification, and the prosecution history. 52 F.3d at 979, 34 USPQ2d at 1329. Along the same lines, the Federal Circuit in *Vitronics* opined that intrinsic

evidence, which includes the claims, the specification, and the prosecution history, is the "most significant source" of evidence to be used when interpreting claims. 90 F.3d 1582, 39 USPQ2d at 1576. In explaining that the claims, the specification, and the prosecution history make up the "public record" upon which the public is entitled to rely, the Federal Circuit stated:

[T]he [prosecution] history contains the complete record of all the proceedings before the Patent and Trademark Office, including any express representations made by the applicant regarding the scope of the claims. As such, the record before the Patent and Trademark Office is often of critical significance in determining the meaning of the claims.

90 F.3d at 1582, 39 USPQ2d at 1577. The Federal Circuit held that when the public record "unambiguously describes the scope of the patented invention," reliance on extrinsic evidence such as expert testimony is improper. 90 F.3d at 1583, 39 USPQ2d at 1477.

The PTO imposes written recording requirements on both the examiner and applicant. These requirements are designed to furnish the patent applicant, as well as the public and the courts, with sufficient information to make informed decisions. As the agency charged with granting valid patents, the PTO is actively concerned with the development of clear and complete prosecution histories. For this reason, the PTO is interested in obtaining public opinion as to whether the current rules and procedures pertaining to recording prosecution histories are sufficient to provide complete and clear records.

II. Issues for Public Comment

Interested members of the public are invited to testify and present written comments on issues they believe to be relevant to the discussion below. Questions following the discussion are included to identify specific issues upon which the PTO is interested in obtaining public opinion.

A. Current Procedures for Recording Patent Prosecution Histories

The emphasis on preparing complete, clear, and accurate file histories is prevalent throughout the patent rules which form title 37 of the Code of Federal Regulations (CFR) and the guidelines of practice embodied in the Manual of Patent Examining Procedure (M.P.E.P.). Recognizing the importance of the written prosecution record, PTO rules and procedures stress the need for examiners to communicate clearly the basis for all rejections and objections so

that the issues can be identified early and the applicant can be given an opportunity to respond. See 37 CFR 1.105 (1996); M.P.E.P. 707.07 (6th ed. 1995, rev. 2, July 1996). To meet this goal, Rule 105 explicitly states that "[t]he examiner's action will be complete as to all matters." 37 CFR 1.105. This requires the examiner to treat all claims on their merits, provide authority and support for each ground of rejection, and respond to all arguments and points raised by applicants.

The M.P.E.P. instructs examiners to provide clear and complete Office actions throughout the examination process. For instance, when making rejections such as lack of an adequate written description, the examiner's position should be fully developed and contain detailed reasons rather than a mere conclusion. See M.P.E.P. 706.03 (6th ed. 1995, rev. 2, July 1996). Moreover, upon entering an obviousness rejection under 35 U.S.C. 103, the examiner should set forth in the Office action the relevant teachings of the prior art relied upon, the differences between the claimed invention and the applied references, and an explanation as to why the claimed invention would have been obvious to one of ordinary skill in the art. M.P.E.P. 706.02(j) (6th ed. 1995, rev. 2, July 1996). Furthermore, in making a final rejection, all outstanding grounds of rejection should be fully developed and clearly set forth to the extent that the remaining issues are readily apparent. M.P.E.P. 706.07 (6th ed. 1995, rev. 2, July 1996).

Concurrent with the examiner's duty to provide clear and fully developed Office actions, Rule 111 mandates an applicant's response to be complete in order to promote an early and full determination of the issues. 37 CFR 1.111 (1996). Current procedure requires that the response by the patent applicant "must distinctly and specifically point out the supposed errors in the examiner's action and must respond to every ground of objection and rejection in the prior Office action." 37 CFR 1.111. Moreover, the requirements of Rule 111 dictate that applicants clearly point out the patentable novelty believed to render the subject claims allowable over the referenced teachings. 37 CFR 1.111. See M.P.E.P. 714.02 (6th ed. 1995, rev. 2, July 1996).

Furthermore, to ensure a clear and complete file record, examiners are given the authority to require correction if a response is not complete. See M.P.E.P. 714.03 (6th ed. 1995, rev. 2, July 1996). In limited situations, an examiner is authorized to make changes

directly to the written portions of the filed application to correct obvious errors such as spelling and minor grammatical errors. M.P.E.P. 1302.04 (6th ed. 1995, rev. 2, July 1996). Other obvious informalities such as changes to the abstract may be corrected by a formal examiner's amendment which is placed in the file wrapper and a copy is mailed to applicants. *Id.* Amendment or cancellation of claims by formal examiner's amendment is permitted when passing an application to issue provided that the changes have been authorized by applicant or applicant's representative. *Id.*

A complete prosecution history should clearly reflect the reasons why the patent application was allowed. According to Rule 109, an examiner may set forth reasons for allowance when the record, as a whole, is unclear as to why the application is allowable over the prior art. 37 CFR 1.109 (1996). Thus, the examiner must make a judgment of the record to determine whether reasons for allowance should be set out in that record. However, the M.P.E.P. cautions examiners to exercise great care in recording reasons for allowance so as not to misconstrue the claims. M.P.E.P. 1302.14 (6th ed. 1995, rev. 2, July 1996). If desired, an applicant may comment on an examiner's statement of reasons for allowance. Although an applicant's comments are entered in the application file, they will not be commented upon by the examiner in charge of the application. See *Id.*

Another facet of patent prosecution in which written records are extremely important is the recordation of interviews conducted between examiners and applicants. Examiner interviews concerning patent applications and other matters pending before the PTO serve to clarify the issues in an application and materially advance the prosecution of a case. The substance of an interview must be made of record in the application by means of an Interview Summary Form completed by the examiner and placed in the file wrapper. M.P.E.P. 713.04 (6th ed. 1995, rev. 2, July 1996). In addition, a complete written statement disclosing the substance presented at the interview must be filed by the applicant when reconsideration is requested in view of an interview with an examiner. 37 CFR 1.133(b) (1996). However, the examiner and applicant can agree that the Interview Summary Form satisfies applicant's obligation under Rule 133. M.P.E.P. 713.04.

A complete and accurate recordation of the substance of an examiner interview should include the following:

an identification of the claims and prior art discussed; a description of proposed amendments; the general thrust of the applicant's and examiner's arguments; and the results of the interview. *Id.* Although the recordation of the arguments presented at the interview need not be lengthy or highly detailed, the general nature of the principal arguments should be readily apparent. *Id.*

The PTO is interested in ensuring that complete and accurate file histories are created and maintained. Public comments are invited to assist the PTO in identifying any improvements that can be made to increase the clarity and completeness of prosecution histories. The tenor of the following questions should not be taken as an indication that the PTO has taken a position on or is predisposed to any particular approach to creating and maintaining complete and clear file histories.

1. Do you believe that the current rules and procedures pertinent to recording prosecution histories are sufficiently clear and effective? If not, please:

(a) identify aspects of the rules and procedures that you believe lack clarity or do not facilitate the creation of adequate records;

(b) identify any changes to the rules and procedures that you believe would improve the clarity and completeness of file histories; and

(c) discuss potential advantages and hardships that patent applicants and examiners would face if particular changes were adopted.

2. Do you believe that examiners are correctly and uniformly applying the existing rules and procedures governing the recording of file histories? If not, please:

(a) provide or summarize examples in which you believe examiners have not maintained complete file histories;

(b) identify additional steps that can be taken by the PTO and applicants to clarify the prosecution history; and

(c) discuss possible advantages and drawbacks to the proposed changes.

3. Do examiners generally notify applicants when an amendment fails to point out the patentable novelty of applicant's invention, as required by 37 CFR 1.111? If so, do you believe that examiners should continue to notify applicants of their failure to include a statement of novelty?

4. Is language such as "to further define and clarify the invention" sufficient to satisfy Rules 111 and 119 of 37 CFR which require the applicant to point out how each amendment distinguishes the claims over the cited prior art? If not, please explain why

applicants should be required to recite positively the rationale behind every claim amendment.

5. Should examiners be required to recite positively the reasons for amendments to claims when claims are amended by way of a formal examiner's amendment drafted pursuant to M.P.E.P. 1302.04? If so, do you believe this would discourage the practice of examiner amendments? Also, what effect would such a requirement have on the patent prosecution process?

6. Should the current practice of having examiners prepare reasons for allowance, as outlined in 37 CFR 1.109, be discontinued? If so, please explain why you believe this is desirable. If not, should 37 CFR 1.109 be amended to make it mandatory that reasons for allowance must be provided by the examiner? (Currently, according to 37 CFR 109, setting forth reasons for allowance is not mandatory on the examiner's part.) If so, in which of the following instances should examiners be required to set forth reasons for allowance:

(a) in allowable patent applications; or

(b) when the record, as a whole, is unclear as to why the patent application is being allowed.

7. Do reasons for allowance recorded by examiners contain accurate and precise interpretations regarding the novelty or nonobviousness of the claims?

If not, please:

(a) explain the experiences you have had that led you to your conclusions; and

(b) identify what you believe should be included in or omitted from an examiner's reasons for allowance.

8. What would prompt an applicant to comment on an examiner's statement of reasons for allowance?

9. If an applicant disagrees with an examiner's reasons for allowance, should applicant be obligated to respond? If so, should applicant's failure to file a statement commenting on the examiner's reasons for allowance be deemed an admission that applicant acquiesces to the reasoning of the examiner? (Currently, pursuant to 37 CFR 1.109, failure to comment on the reasons for allowance does not imply that the patent applicant agrees with the reasoning of the examiner.)

10. Is the current practice of placing applicant's comments to reasons for allowance in the application file without further comment by the examiner adequate? If not, how and why should the current practice be changed?

11. Does the present system of recording examiner interviews by means

of interview summary records, as outlined in M.P.E.P. 713.04, provide a complete record of the substance of the interview? If not, please:

(a) explain the experiences you have had that have led you to your conclusions; and

(b) describe additional changes to the interview summary practice you believe would be desirable.

12. Should applicants be obligated to record the substance of every examiner interview, regardless of whether reconsideration is sought?

13. Should an examiner and applicant be permitted to agree that a written record of the substance of an interview by the applicant is not necessary?

14. Should the PTO require that telephonic and/or personal interviews between examiners, applicants and attorneys be taped by electronic devices and transcribed into a written medium to be included in the file wrapper? If so, please:

(a) identify which type of interviews should be recorded by electronic devices;

(b) indicate whether transactions should be distributed to applicants;

(c) explain how this should be implemented;

(d) identify who should bear the cost; and

(e) discuss potential advantages and drawbacks to electronic recording of examiner interviews.

In the alternative, should applicants be permitted to request recording of examiner interviews by electronic devices? If so, please:

(a) identify which type of interviews applicants should be permitted to request recording;

(b) indicate whether transcriptions should be distributed to applicants;

(c) explain how this should be implemented;

(d) identify who should bear the cost; and

(e) discuss potential advantages and drawbacks to applicant-requested electronic recording of examiner interviews.

B. Other Issues

Parties may address related matters not specifically identified in the above topics. If this is done, parties are requested to:

1. Label that portion of their responses as "Other Issues";

2. Clearly identify the matter being addressed;

3. Provide examples, when appropriate, that illustrate the matter addressed;

4. Identify any relevant legal authorities applicable to the matter being addressed; and

5. Provide suggestions regarding how the matter should be addressed by the PTO.

III. Guidelines for Oral Testimony

Individuals wishing to testify must adhere to the following guidelines:

1. Anyone wishing to testify at the hearings must request an opportunity to do so no later than November 3, 1997. Requests to testify may be accepted on the date of the hearing if sufficient time is available on the schedule. No one will be permitted to testify without prior approval.

2. Requests to testify must include the speaker's name, affiliation and title, mailing address, and telephone number. Facsimile number and Internet mail address, if available, should also be provided. Parties may include in their request an indication as to whether the party wishes to testify during the morning or afternoon session of the hearing.

3. Speakers will be provided between five and fifteen minutes to present their remarks. The exact amount of time allocated per speaker will be determined after the final number of parties testifying has been determined. All efforts will be made to accommodate requests for additional time for testimony presented before the day of the hearing.

4. Speakers may provide a written copy of their testimony for inclusion in the record of the proceedings. These remarks should be provided no later than November 25, 1997.

5. Speakers must adhere to guidelines established for testimony. These guidelines will be provided to all speakers on or before November 11, 1997. A schedule providing approximate times for testimony will be provided to all speakers the morning of the day of the hearing. Speakers are advised that the schedule for testimony will be subject to change during the course of the hearings.

IV. Guidelines for Written Comments

Written comments should include the following information:

1. Name and affiliation of the individual responding;
2. If applicable, an indication of whether comments offered represent views of the respondent's organization or are the respondent's personal views; and
3. If applicable, information on the respondent's organization, including the type of organization (e.g., business, trade group, university, or non-profit organization) and respondent's position, including type of experience (e.g., attorney handling prosecution and/or

patent litigation, patent agent prosecuting patent applications, or judge deciding patent issues).

If possible, parties offering testimony or written comments should provide their comments in machine-readable format. Such submissions may be provided by electronic mail messages sent over the Internet, or on a 3.5" floppy disk formatted for use in either a Macintosh or MS-DOS based computer. Machine-readable submissions should be provided as unformatted text (e.g., ASCII or plain text), or as formatted text in one of the following file formats: Microsoft Word (Macintosh, DOS, or Windows versions) or WordPerfect (Macintosh, DOS, or Windows versions).

Information that is provided pursuant to this notice will be made part of a public record and may be available via the Internet. In view of this, parties should not provide information that they do not wish to be publicly disclosed or made electronically accessible. Parties who would like to rely on confidential information to illustrate a point are requested to summarize or otherwise provide the information in a way that will permit its public disclosure.

Dated: September 16, 1997.

Bruce A. Lehman,

*Assistant Secretary of Commerce and
Commissioner of Patents and Trademarks.*

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COMMODITY FUTURES TRADING COMMISSION

Chicago Board of Trade Futures Contracts in Corn and Soybeans; Proposed Order To Change and To Supplement Proposal

AGENCY: Commodity Futures Trading Commission.

ACTION: Notice of, and Request for Public Comment on, Proposed Order to Chicago Board of Trade to Change and to Supplement Chicago Board of Trade Proposal on Delivery Specifications.

SUMMARY: The Commodity Futures Trading Commission ("Commission") has issued a Proposed Order to the Board of Trade of the City of Chicago ("CBT"), under Section 5a(a)(10) of the Commodity Exchange Act ("Act"), 7 U.S.C. 7a(a)(10), to Change and to Supplement its Proposal regarding the delivery terms of the CBT corn and soybean futures contracts. The CBT proposal was submitted in response to a December 19, 1996, notification to the CBT by the Commission that the CBT

corn and soybean futures contracts no longer accomplish the objectives of that section of the Act. The Commission in its Proposed Order, proposes to change and to supplement the CBT proposal for its soybean futures contract by: i) retaining the Toledo, Ohio, switching district as a delivery location; ii) retaining St. Louis-East St. Louis-Alton as a delivery location for shipping stations; and iii) making soybeans from the Toledo delivery location deliverable at contract price and from all other locations at a premium over contract price of 150 percent of the difference between the Waterways Freight Bureau Tariff No. 7 rate applicable to that location and the rate applicable to Chicago, Illinois, with Chicago at contract price. The Commission, with respect to the CBT corn contract, is proposing to make corn from shipping locations on the northern Illinois River deliverable at a premium over contract price of 150 percent of the difference between the Waterways Freight Bureau Tariff No. 7 rate applicable to that location and the rate applicable to Chicago, Illinois, with Chicago at contract price. With respect to both the CBT corn and soybean futures contracts, the Commission also proposes to change and to supplement the proposed contingency plan for alternative delivery procedures when traffic on the northern Illinois River is obstructed and to eliminate the \$40 million minimum net worth eligibility requirement for issuers of shipping certificates. Finally, the Commission is proposing to disapprove the proposed terms of the July and December 1999 corn futures contracts and the July and November 1999 soybean futures contracts and is proposing to apply the changes and supplements described above to such contracts under sections 5a(a)(10), 5a(a)(12), and 8a(7) of the Act.

The Commission has determined that publication of the Proposed Order for public comment is in the public interest, will assist the Commission in considering the views of interested persons, and is consistent with the purposes of the Commodity Exchange Act.

DATES: Comment must be received by October 22, 1997.

ADDRESSES: Comments should be mailed to the Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, N.W., Washington, D.C. 20581, attention: Office of the Secretariat; transmitted by facsimile at (202) 418-5521; or transmitted electronically at [secretary@cftc.gov]. Reference should