

PIPLA NEWS

The official newsletter of the Pittsburgh Intellectual Property Law Association

PIPLA TO INVADE PNC PARK

The April PIPLA meeting will be held as an outing at PNC Park on April 15th. The evening will include a dinner meeting to be held at Atria's restaurant located in the lower level of the stadium, followed by a Pirates baseball game in the Club Level. The evening will include:

- A cocktail hour will start at 5:00 p.m.
- A buffet dinner will start at 5:30 p.m. with the meeting to follow
- The buffet will include vegetarian offerings
- The ballgame will begin at 7:05 p.m.
- The total cost for the dinner and ballgame is \$40.00 per person
- SPOUSES/GUESTS ARE WELCOME; and
- RSVP is needed by April 1, 2009

Further, because the April meeting is typically Judge's Night, we have extended an invitation to local judges for the outing. Please contact Nora Ann Pastrick at napastrick@webblaw.com or by telephone at 412-227-3028. Alternatively, reservations and payment may be made via the PIPLA website at: www.piplaonline.org

STATUS OF PTO CONTINUATION RULES PACKAGE IN LIMBO FOLLOWING FEDERAL CIRCUIT PANEL DECISION

Matt Johnson – Jones Day

On March 20th, a three-judge panel of the Federal Circuit affirmed-in-part, vacated-in-part, and remanded for further proceeding by a 2-1 ruling the April 1st, 2008, decision in the Eastern District of Virginia granting summary judgment that four recently promulgated rules exceed the scope of the

PTO's rulemaking authority. The district court ruled that the proposed rules regarding continuations (Rule 78), requests for continued examination (RCEs) (Rule 114), and claim number limitations (Rules 75 and 265) were substantive rules that were outside of the Office's limited procedural rulemaking authority. The Federal Circuit panel disagreed, finding the rules to be procedural in nature, but also finding Rule 78, limiting the number of permissible continuations applications, to be contrary to 35 U.S.C. § 120.

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The initial focus of the court's analysis was on the PTO's rulemaking authority. The panel agreed with the district court in that the PTO does not have substantive rule making power. However, the court will still grant Chevron deference to the PTO's interpretation of statutory provisions that relate to the exercise of delegated authority in the procedural realm.

While the Federal Circuit agreed with the district court's interpretation of the PTO's rulemaking authority, the court disagreed with the substantive/procedural analysis of the lower court. While the district court had found that the proposed rules affect individual rights and obligations and are, therefore, substantive, the Federal Circuit adopted a broader view where procedural rules may alter the manner in which the parties present their viewpoints to the USPTO but do not, on their face, foreclose effective opportunity to present patent applications for examination. The panel relied on

the fact that the rules enabled waiver of the continuation and RCE rules upon a showing of good cause, where such a waiver decision is reviewable in court, and that the perceived horrors of filing an examination support document (ESD) were speculative in finding Rules 75, 78, 114, and 265 procedural. The court was not persuaded by comments by PTO officials stating that they could not think of a situation where extra continuations or RCEs would be granted.

The panel then examined whether the proposed rules were contrary to statute, granting Chevron deference to Office interpretations of procedure. The court ruled that Rules 114 (RCEs) and 75 and 265 (Claim number limitations) were allowable under the existing statutes. However, the court found that Rule 78, requiring any applicant wanting to pursue more than two continuation applications file a petition for permission, was in conflict with 35 U.S.C. § 120.

After striking the continuation rule as being contrary to statute, the panel remanded the proceedings for rulings on several issues not addressed by the district court including whether the rules are arbitrary and capricious, conflict with statutes in other ways not addressed, whether proper notice and comment was provided, whether the rules are impermissibly vague, and whether the rules are impermissibly retroactive.

Where this case will go from here poses an interesting question. Because the four challenged rules were part of an interlinked package, where portions of rules prevented circumventions of other rules, many of the practices sought to be curtailed may still be implemented in practice with slight modification. For example, an impermissible second RCE may instead be replaced by a continuation application based on the striking down of Rule 78. Because the rules are significantly hamstrung by the removal of Rule 78, modification by the PTO will probably be necessary if the new administration decides to take another crack at implementing the rules. Additionally, an en banc rehearing, a Supreme Court grant of certiorari for either party, or the results of the remand decision will also significantly shape the rulemaking landscape. For now, the status quo remains, with the fate of the rules in likely limbo, at least for the

next couple of years while the proceedings continue.

CARPÈ PER DIEM



Like he's done for the past 25 years, since BEFORE that Lebron kid was born, Gary takes a handful of powder and tosses it in the air before starting to write each new patent application...

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PTO BITS AND BITES

USPTO MUSEUM NOW HOME TO THE NATIONAL INVENTORS HALL OF FAME

Museum and Hall Hosts A New Exhibit, "Inventive Links"

The United States Patent and Trademark Office (USPTO) has announced the opening of the National Inventors Hall of Fame in the museum of its Alexandria, Va., campus. The Hall of Fame honors and encourages the men and women responsible for the great technological advances that make human, social and economic progress possible. The Hall of Fame opening is being celebrated with a new exhibit about the inductees, "Inventive Links."

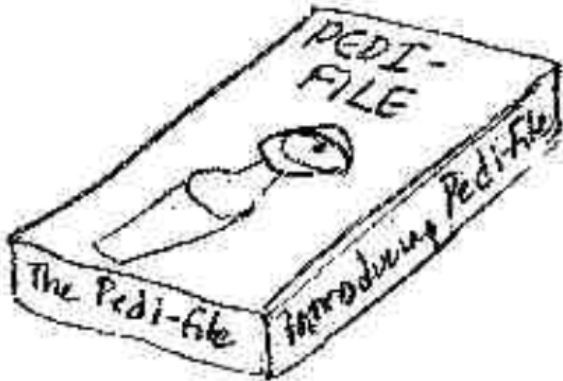
USPTO SEEKS NOMINEES TO PUBLIC ADVISORY COMMITTEES

Deadline for Submissions May 15, 2009

The United States Patent and Trademark Office is seeking nominations for the Patent Public Advisory Committee and the Trademark Public Advisory Committee. The committees advise the agency on a wide variety of policy and budgetary issues.

Members are appointed by and serve at the pleasure of the Secretary of Commerce. Member's terms run for three years. Those appointed must have "substantial backgrounds and achievement in finance, management, labor relations, science, and technology and office automation." The deadline for nomination is May 15.

I.P. DAILY



The makers of the PEDI PAWS® pet nail filer are forever grateful for having been talked OUT OF their first choice for a product name and trademark!

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THE CUTTING EDGE

In The Cutting Edge, we break down the best of the best pending patent applications and recent patent grants to give you a preview of the next great invention that is coming soon to your neighborhood. For example...

Life Expectancy Timepiece

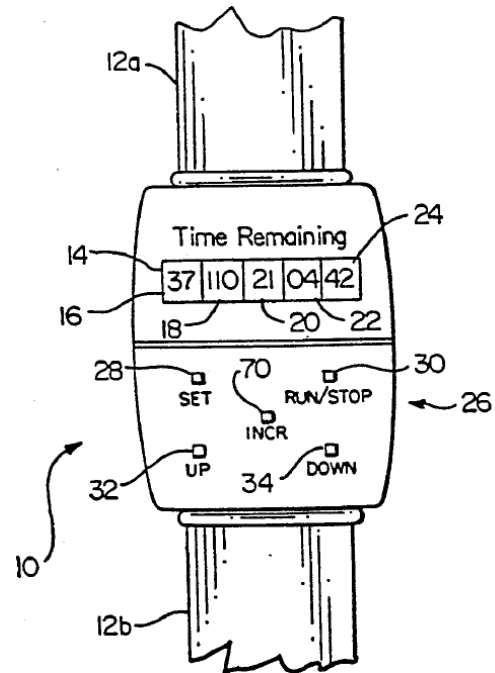
(U.S. Patent No. 5,031,161)

In *The Bucket List*, two terminally ill men, played by Jack Nicholson and Morgan Freeman, escape from a cancer ward and head off on a road trip with a wish list of to-dos before they die. David Kendrick's gift to mankind, a life expectancy timepiece, eases the stresses and hassles of scheduling everything on your "Bucket List" with:

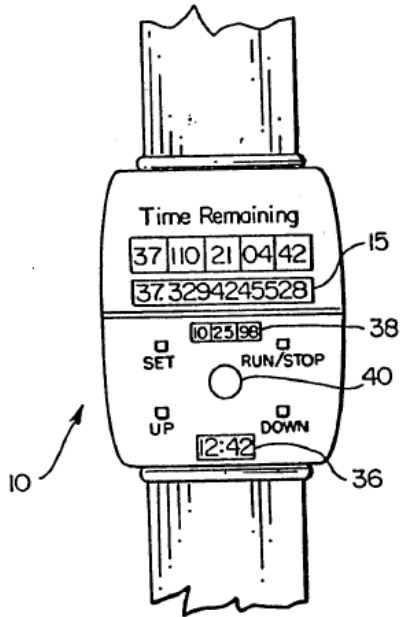
A timepiece for monitoring and displaying the approximate time remaining in a user's life. A microprocessor monitors the passage of time. A resettable memory is connected to the processor for storing data

representative of years, days, hours, minutes and seconds. A display is connected to the microprocessor for displaying data stored in the memory. Buttons or switches are provided to enter and change the stored data so that the approximate time remaining in the user's life can be reset by the user.

The watch lists the number of years (16), days (18) hours (20), minutes (22), and seconds (24) a person is expected to live, allowing them a more complete set of information for planning their activities before their inevitable demise. The time remaining on the watch may be set based on a number of factors. These factors may include the user's current age as well as various health, lifestyle, family history, and other parameters. For example, the time remaining may add or subtract years based on parents' ages, marital status, residential environment, economic status, exercise habits, disposition, alcohol/tobacco usage, etc.



The life expectancy timepiece may also include a number of interesting optional features. For example, as shown below, the timepiece may list the exact date (38) of one's scheduled demise for easy calendar coordination.

**FIG. 2**

Column 2, lines 57-64, describes another interesting feature, stating:

In operation, run/stop button 30 can be operated by the user to halt the decrementing operation of system. The run/stop button 30 is a toggle switch in the preferred embodiment, which can be activated and deactivated by pressing consecutively. In this way, the decrementing operation can be halted indefinitely for the time that the user is pursuing a helpful activity (e.g., taking a walk, breathing fresh air, etc.)

Mr. Kendrick's Life Expectancy Timepiece offers us each a unique opportunity to plan for the future to ensure that we "get it all in." The days of "could've, should've, would've" are now in the past. The patent office recognized the importance of this invention, granting a patent in only 144 days. Soon, this vital planning tool will be only an arm's length away.

FROM THE NEWSLETTER COMMITTEE

We hope you've enjoyed this issue of the 2008/2009 PIPLA News, an informative and hopefully entertaining look at the goings on in IP law. We invite our entire readership to contribute to this endeavor with articles, announcements, and job postings of your own. If you have something you would like included in PIPLA News or have questions about how you can contribute, please contact Matt Johnson at 412-394-9524 or at mwjohnson@jonesday.com.

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