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PIPLA NEWS

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FINNEGAN'S J. MICHAEL JAKES TO SPEAK AT JANUARY PIPLA MEETING

J. Michael Jakes, a partner of Finnegan, Henderson, Farabow, Garrett & Dunner, LLP, will be the speaker at our January 20th meeting.

Mr. Jakes has broad experience in all aspects of patent law, concentrating his practice on patent litigation and related counseling. He has been lead counsel on numerous patent cases, including trials in federal district courts and before arbitration panels. He deals mainly with technologies related to the computer, electronics, semiconductor, software, and medical device industries. He is currently a member of the Federal Circuit's Advisory Council, appointed by the chief circuit judge.

Details of the gathering will be circulated shortly in the January meeting notice.

TAFAS v. DUDAS CONCLUDES AND THE PTO MAY NOT LIMIT CONTINUATIONS AND CLAIMS

Ying Cao – Jones Day

On November 13, 2009, an en banc order of the Federal Circuit granted the PTO's motion to dismiss the appeal from the decision of *Tafas v. Dudas*, 541 F. Supp. 2d 805 (E.D. Va. 2008), but denied the motion to vacate the district court decision. It puts an end to a two-year battle between Dr. Tafas and the PTO on the proposed rules package that would have limited the number of continuation or continuation-in-part applications and the number of claims per application. However, the denial of vacatur not only provides Dr. Tafas with the opportunity of demanding recoupment of costs under Fed. R. Civ. P. R. 54, but also preserves the district court decision as the only standing judicial decision, which held that the PTO went beyond its rulemaking authority.

On August 21, 2007, the PTO published a package of the Final Rules, including new Rules 78 and 114 that would have limited applicants to two continuing patent applications and one RCE per application family as a matter of right. The Final Rules also included new Rules 75 and 265 that would have limited the number of claims that could be included in a patent application or a family of related patent applications to no more than five independent claims and twenty-five total claims ("the 5/25 claim limit"). For patent applications that exceeded the 5/25 claim limit, an applicant would have been required to file an examination support document (ESD), including, among other things, a statement that a search was conducted, a comparison between the limitations of the claims and the cited references, and a detailed explanation of how each of the independent claims is patentable over the cited references.

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Prior to the Final Rules going into effect, Dr. Tafas and GlaxoSmithKline filed suit against the PTO, alleging that the Final rules were not within the scope of the PTO's rulemaking authority, and seeking an injunction to prevent the PTO from implementing the Final Rules. On October 31, 2007, the district court issued a preliminary injunction preventing the implementation of the

Final Rules. On April 1, 2008, the district court issued a decision holding that the Final Rules were substantive in nature and that the PTO lacked the rulemaking authority to issue substantive rules.

Specifically, the district court held that 35 U.S.C. §2 provides the PTO with authority to make rules governing the "conduct of proceedings" before the PTO. However, the PTO does not have the authority to issue substantive rules that "affects individual rights and obligations." The district court found that the limitation on continuation or continuation-in-part applications runs contrary to 35 U.S.C. §120 because it imposes a "hard limit" that "deprives applicants of their valuable rights under 35 U.S.C. §120 to an unlimited number of continuation and continuation-in-part applications as a matter of right." Likewise, the limitation on RCE filings is a "clear departure from the plain language" of 35 U.S.C. §132. Although the PTO may object to duplicate claims, the district court found that the law prevents any strict limit on the number of claims. The district court found the ESD requirement substantive because it shifts the burden of examination from the PTO to the applicants.

The PTO subsequently appealed the district court decision to the Federal Circuit. On March 20, 2009, a panel of the Federal Circuit found that each of the four Final Rules under consideration was procedural, and only the rule that limits the number of continuation or continuation-in-part applications was not within the PTO's scope of authority. On July 6, 2009, the Federal Circuit vacated the panel decision and granted an en banc review of the case.

The PTO recently withdrew its proposed rules package and asked the Federal Circuit to dismiss the now moot appeal and also vacate the district court judgment. All parties supported the dismissal, but Tafas opposed vacatur. The Federal Circuit granted the motion to dismiss, but denied vacatur because the mootness of the appeal was due to voluntary withdrawal of the rules by the PTO, "the losing party" in the district court action.

As the district court decision now stands as the only judicial precedent, Dr. Tafas can seek recoupment of costs as the prevailing party in the district court decision under Rule 54. Moreover, the PTO may have much more difficulty in making rules to impose limitation on the number of continuation or continuation-in-part applications and claims that can be prosecuted in a patent application. The PTO may still have hope to do so in the future if Congress can pass the pending Patent Reform Act that contains language providing substantive rulemaking authority to the PTO.

USPTO PILOT PROGRAM FOR GREEN TECHNOLOGIES

Kathryn M. Cooper – BECK & THOMAS, P.C.

On December 7, 2009, the United Stated Patent and Trademark Office announced a pilot program to accelerate the examination of certain green technology patent applications.

"American competitiveness depends on innovation and innovation depends on creative Americans developing new technology," U.S. Commerce Secretary Gary Locke said. "By ensuring that many new products will receive patent protection more quickly, we can encourage our brightest innovators to invest needed resources in developing new technologies and help bring those technologies to market more quickly."

Locke announced the USPTO pilot program at a press conference December 7, 2009 at the Commerce Department's headquarters.

"Every day an important green tech innovation is hindered from coming to market is another day we harm our planet and another day lost in creating green business and green jobs," Director of the USPTO David Kappos said. "Applications in this pilot program will see a significant savings in pendency, which will help bring green innovations to market more quickly."

The Federal Register Notice on December 8, 2009 provided additional details on the program. Applications pertaining to environmental quality, energy conservation, development of renewable energy, or greenhouse gas emission reduction will be advanced out of turn for examination without meeting all of the current requirements of the accelerated examination program. The USPTO will only accept the first 3,000 petitions to make special in previously filed new applications, provided the

petitions meet certain requirements. Upon receipt of more than 3,000 petitions, the USPTO may reevaluate the workload and resources needed to extend the pilot program.

Applications that are accorded special status will be placed on an examiner's special docket prior to the first Office action and will have special status in any appeal to the BPAI and also in the patent publication process. Applications accorded special status will be placed on the examiner's amended docket, rather than the examiner's special docket, after the first Office action (which may be an Office action containing only a restriction requirement).

The following conditions must be met:
(1) The application must be previously filed before December 8, 2009;
(2) The application must be classified in one of the U.S. classifications listed in section VI of the December 8, 2009 Notice;
(3) The application must contain three or fewer independent claims and twenty or fewer total claims. The application must not contain any multiple dependent claims;
(4) The claims must be directed to a single invention that materially enhances the quality of the environment or materially contributes to: (a) the discovery or development of renewable energy resources; (b) the more efficient utilization and conservation of energy resources; or (c) greenhouse gas emission reduction. The petition must include a statement that if the USPTO determines that the claims are directed to multiple inventions, applicant will agree to make an election without traverse in a telephone interview, and elect an invention that meets the eligibility requirements in the December 8, 2009 Notice;
(5) The petition must be filed electronically before December 8, 2010;
(6) The petition must be filed at least one day prior to the date that a first Office action (which may be an Office action containing only a restriction requirement) appears in the PAIR system; and
(7) The petition must be accompanied by a request for early publication.

There are additional eligibility requirements set forth in Sections II and III of the December 9, 2009 Notice.

THE CUTTING EDGE

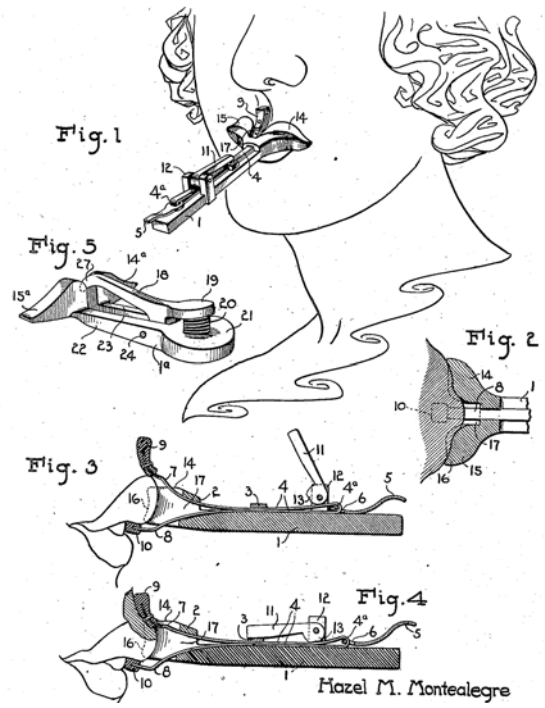
In The Cutting Edge, we break down the best of the best pending patent applications and recent patent grants to give you a preview of the next great invention that is coming soon to your neighborhood. For example…

LIP CLIP

(U.S. Patent No. 1,497,342)

Looks matter a lot in many situations in our society. Every person wants to look his/her best. People all over the world spend millions of dollars to have a perfect nose, a perfect chin, or a perfect Cupid's bow lip. They visit the beauty parlor regularly, take herbal treatments, and even undergo plastic surgeries.

Do you want to have a perfect Cupid's bow lip, without the hassle and pain of a surgical operation? It is super easy! You do not need to resort to any expensive modern technology. Way back in 1924, Hazel M. Montealegre invented this device that can shape your upper lip to a perfect Cupid's bow. Though Hazel never told us how long you should wear the clip to produce the effect of a perfect Cupid's bow, you can surely make your own judgment!



As shown in the figures, the device comprises a base member 1 and a spring member that was re-bent upon itself at an intermediate point 4a to form two arms 4 and a loop. Upon the outer end of the base 1 is a matrix that conforms to the shape of the Cupid's bow. The matrix comprises flaring spaced members 14 and 15. The clamping jaws 9 and 10 are mounted on the free ends of the two spring arms 4. The clamp is movable to grip the lip inside and outside at opposite points and can be locked to hold the lip into the matrix. The lip is depressed centrally and shaped to the form of the matrix. Eventually, the lip will be changed to the form of the Cupid's bow.

Hazel's genius design makes it simple and easy to apply this device to reshape the lip to a perfect Cupid's bow. Also it is cost-effective and environmentally friendly.

WARNING: You use this device at your own risk. You are solely responsible for any unbecoming indentation, chap or bleeding of your lips.

FROM THE NEWSLETTER COMMITTEE

We hope you've enjoyed this issue of the 2009/2010 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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