

Maximizing Prospects of Pre-grant Damages



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When a client asks about advantages and disadvantages of the new pre-grant publication procedure, one is tempted to respond that at least the client may now collect damages from the date of publication, that is, the client may collect damages that precede issuance of the patent. Such damages are available only to the extent that the issued (and infringed) claim has a substantially identical claim in the published application. This naturally prompts the practitioner to try to draft claims in the application-as-filed that have some chance of surviving to issuance.¹ The practitioner may also sometimes file continuation or divisional applications so as to gain further opportunities to submit revised claims.

Yet the practitioner can end up losing all prospect of pre-grant damages for the client by overlooking a Patent Office rule that limits what the Patent Office will publish. 37 CFR § 1.215 says that the publication division will ignore all amendments, including preliminary amendments, when it publishes a pending patent application.

I will discuss some of the traps found in this Rule, and I will then talk about how to avoid the traps.

Example 1. With only days to go before a statutory due date, the client authorizes you to prepare and file a non-provisional utility patent application. Due to the shortness of time, only one claim can be drafted. The application is filed with one claim, and it is not necessarily a good claim. But to get a filing date, the law does not require that your claim be a good one,

merely that it be a claim. I call this a “placeholder” claim. It is the rare practitioner who has not had to do this at least once in his or her career for one reason or another.

The statutory due date having been satisfied, you set to the task of drafting good claims, and a month later you file a preliminary amendment striking the originally filed “placeholder” claim and adding fifty good claims.

Eighteen months after filing, and seventeen months after you filed the preliminary amendment, the application is published.

Some years later, the patent issues. Indeed, in this hypothetical, let us assume that you did such a good job that the patent eventually issued with claims identical to the claims in your preliminary amendment. You congratulate yourself on a job well done. Shortly thereafter, your client authorizes you to sue an infringer, and reminds you that it has long been savoring the prospect of being among the first patent owners ever to recover pre-grant damages from an infringer, due to the eighteen-month publication. You recall the day, years earlier, when you explained to the client how the eighteen-month publication would offer the ability to collect such damages.

The reader may guess that bad news is imminent. You, too, were savoring the prospect of being among the first lawyers ever to recover pre-grant damages from an infringer. You go to the Patent Office web site and you print out two documents that you expect will be nearly identical — the issued patent, and the eighteen-month publication from years earlier. And what you find is this: the eighteen-month publication is an embarrassment — it contains only the placeholder claim, and does not contain the fifty good claims. All hope of collecting pre-grant damages is lost.

It may cross your mind to wonder why it is that the preliminary amendment, in the hands of the Patent Office for some seventeen months before the day the application was published, was ignored by the Patent Office. The answer, of course, is the obscure rule mentioned above.

Example 2. You are handling an application that was filed before November 29,

2000 (that is, an application that would not be published at eighteen months unless you file a request to have it voluntarily published). Some claims get allowed, and the client asks you to strike the unallowed claims (so that the application can issue) and asks you to file a continuation. The continuation may, of course, be filed any time up to issuance day in the parent case. You make good use of this time by drafting some really good claims, taking into account everything that has happened in the prosecution of the parent case. The day comes when you plan to file the continuation. What will go into the filing envelope are a photocopy of the parent application as filed, as well as a preliminary amendment striking the allowed claims and adding your newly drafted claims.

The continuation application is, of course, published in due course by the Patent Office.

Some years later, the continuation application issues. Again, for purposes of this hypothetical, let us assume that you drafted so skillfully that the issued claims are identical to those in your preliminary amendment.

Now you go to the Patent Office web site, and again you find to your surprise that the issued claims are not at all like the published-application claims. The Patent Office, having had your preliminary amendment in hand on the very day it received your continuation application, ignored the preliminary amendment, and instead published the claims *as originally filed in the parent application*. Again, any prospect of pre-grant damages is lost, except for the rare claim that may somehow have survived unmodified from the originally filed parent application all the way through to the issued continuation application.

From these two examples, it becomes clear that the source of the problem is that the Publication Division of the Patent Office can't or won't enter preliminary amendments when it makes preparations to publish a patent application. And indeed this practice is explicitly set forth at 37 CFR § 1.215, which says that the Publication Division will ignore all amendments, including preliminary amendments, when it publishes a pending patent application.

Where continuation and divisional applications are concerned, the official Patent Office position is that you should file



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your continuation and divisional applications with the specification and claims already amended. That is, you should “enter the amendment yourself” into your word processor, and file a specification and claims that contains whatever would have been in a preliminary amendment.

One will ask, what about the rule that requires that in a continuation or divisional application, the applicant must file “a true copy of the prior complete application as filed including the specification (with claims)?”² What about the rule that requires that in such an application, “the copy of the prior application must be accompanied by a statement that the application papers filed are a true copy of the prior complete application?”³ These requirements no longer exist, since 37 CFR section 1.60 was deleted effective December 1, 1997.

The rule now in effect provides:

A continuation or divisional application may be filed ... by providing: (A) a copy of the prior application, including a copy of the signed oath or declaration in such prior application, as filed; (B) a new specification and

drawings and a copy of the signed oath or declaration as filed in the prior application provided the new specification and drawings do not contain any subject matter that would have been new matter in the prior application; or (C) a new specification and drawings and a newly executed oath or declaration provided the new specification and drawings do not contain any subject matter that would have been new matter in the prior application.⁴

So in fact you are explicitly allowed, when filing a continuation or divisional application, to file a specification that is *not* “a true copy of the prior complete application as filed.” All that is required is that the continuation or divisional application not contain “new matter.”

How, then, may the above-referenced traps be avoided?

Filing an original application. Clearly one way to avoid the trap where an original application is concerned is to avoid the use of a preliminary amendment altogether. Draft the claims prior to filing, and include them in the application-as-filed.

But what about those cases where there simply is not enough time before filing day to draft good claims? Is there no way to get claims that were drafted after filing day, but before the eighteen-month publication date, into the eighteen-month publication?

The answer is “yes.” You may, but only with some difficulty. As set forth in 37 CFR § 1.215, you can get an amendment included in the eighteen-month publication if you *file it electronically using EFS*. Such filing must be done:

- (a) within one month of the actual filing date of the application or
- (b) within fourteen months of the earliest filing date for which a benefit is sought under title 35, United States Code,

whichever is later.

For a utility application that does not claim priority from any other application, this means you have fourteen months from filing within which to draft good claims and electronically file them.

For a utility application that claims priority from a provisional application or foreign application filed twelve months earlier, this means that you have two months from

filing within which to draft good claims and electronically file them.

Filing a continuation or divisional application. Where the application to be filed is a continuation or divisional application, clearly one way to avoid the trap is by entering the amendment yourself (in your word processor) and filing the application using a newly printed specification from your word processor. It won't be identical to the application filed in the parent case, but the rules no longer require that it be identical. It is enough that it merely not contain new matter.

Filing an identical specification and an amendment, and asking the Examiner to enter it, provides some measure of protection against later accusations that new matter was added, since part of the Examiner's job before entering an amendment is to check to see whether it adds new matter. The very act of the Examiner entering an amendment counts, implicitly, as a statement by the Examiner that the amendment did not add new matter.

Filing a non-identical specification (rather than an identical specification and an amendment) does, of course, present risks. The question of whether or not you added new matter may well never be tested during prosecution, and may instead come up only years later when the accused infringer for the first time does a word-for-word comparison of the new and old patent specifications. Presumably even the slightest change will be trumpeted by the accused infringer as a nefarious attempt to slip "new matter" into the application. One can only hope that a Court would find that such a change did not add new matter. One

can further hope that even if the Court were to agree that the change added "new matter," it would then not invalidate the patent but instead simply treat it like a continuation-in-part, with more than one priority date depending on which claim is being scrutinized.

Yet another approach is to exploit the one-month period provided in 37 CFR § 1.215. File the continuation using an identical specification and a preliminary amendment, and then within one month, use the electronic filing system to file a new specification that "enters" the preliminary amendment.

What if the time periods of 37 CFR § 1.215 have already passed? The rule says that the publication division is only obligated to take into account revised specifications and claims submitted electronically that are within fourteen months of the priority date, or that are within one month of filing, whichever is later. If these dates have passed, is there no hope of getting such a revised specification and claims into the eighteen-month publication? The rule states that the publication division "may" use untimely electronically filed specifications *if* it has not yet started the publication process. So it doesn't hurt to ask, but one cannot rely upon this provision.

What if the eighteen-month publication already happened? Suppose the eighteen-month publication already happened, and you discover that the published claims are not the claims that you wanted? The answer is, of course, that you may simply pay to have the application republished. The fee is presently \$300.

In high-stakes cases, it is safe to assume that some applicants will have their applications republished numerous times, perhaps as often as any amendment is made to the claims, and indeed even after the Notice of Allowance. The aim of such republications is, of course, to maximize the chances of each issued claim being identical to a claim in at least one of the publications.

The importance of knowing how to do electronic filing. Many practitioners who have tried to do electronic filing find that it is a lot of trouble.⁵ This article should make clear, however, that there are many situations where filing electronically is, in fact, the only option. Such situations include continuations and divisionals where claims are being amended in the new application as filed, as well as original applications where claims are being amended after the filing date.

ENDNOTES

1. Oppedahl is a partner in the firm of Oppedahl & Larson LLP, Dillon, Colorado. His web address is <http://www.patents.com/oppedahl.htm>.
2. This, the Festo decision, and the "written description" requirement have all prompted new attention to the old-fashioned and tedious work of trying to draft good claims from the beginning of a patent application, see Oppedahl, Carl, "The importance of good claims upon filing," IP Today, June, 2001, page 35.
3. 37 CFR section 1.60.
4. Id.
5. MPEP section 201.06(c).
6. See Oppedahl, Carl, "Electronic Filing of US Patent Applications," Intellectual Property Today, January 2001, page 16.

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