

FILED

In the Federal District Court of Virginia - Eastern Division

Catalina Marketing International, Inc.

Complainant

v

Case No. 1:11-cv-00069

2011 JUN 17 A 11:05  
CLERK US DISTRICT COURT  
ALEXANDRIA VIRGINIA

David Kappos, Director of United States Patent and Trademark Office (USPTO)

(UCC|TRJ)

Respondent:

COMPLAINT

1. Complaint is filed pursuant to 5 USC 701-706, and Section 10(a) of the Administrative Procedure Act 5 U.S.C. § 554 et. seq.

Parties

2. The Complainant is a Florida Corporation and the assignee of all rights in the patent application 11/153,377, titled "Amber Alert System and Method for Locating Missing Children."
3. The Respondent is the Director of the United States Patent and Trademark Office and the proper party in an APA complaint.

Jurisdiction

4. Personal jurisdiction for this action can be found in the Federal District Court for the Eastern District of Virginia (where the Director of the United States Patent and Trademark Office resides).
5. Subject matter jurisdiction exists, pursuant to 5 USC 704, because the actions of the USPTO complained of are final agency action that is ultra vires.
6. Alternatively, subject matter jurisdiction exists in this Court because the USPTO actions are of the type of ultra vires action that is capable of repetition yet evading review. Southern Pacific Terminal Co. v. ICC, 219 U.S. 498 (1911).

Statement of Facts

7. The Manual of Patent Examining Procedures, section 1002.02, reads as follows:

1002.02 Delegation of Authority To Decide Petitions [R-2] - 1000 Matters  
Decided by Various U.S. Patent and Trademark Office Officials  
1002.02 Delegation of Authority To Decide Petitions [R-2]

Petitions to the \*>Director of the USPTO< are decided in accordance with the following delegation of authority.

In any case in which the authority to decide the petition has been delegated as indicated in MPEP §§ 1002.02 (b), (f), (g), (j) and (o), a *denial of a petition may be viewed as a final agency decision*. A dismissal of a petition, a denial of a petition without prejudice, and other interlocutory orders are not final agency decisions.

In accordance with 37 CFR 1.181(g), the authority to decide petitions to the \*>Director of the USPTO< not otherwise delegated, has been delegated to various Office officials. Generally, these officials will decide petitions as specified in the following sections for the effective operation of the Office. Also listed are certain petitions which are not, strictly speaking, to the \*>Director of the USPTO< but have been committed by statute or rule to the designated officials.

The delegation of specific petitions and/or matters \*\*>to the Technology Center (TC) Directors are identified in the sections below. Unless specifically provided for in the letter of delegation of authority, further delegations are not permitted. Any petitions and/or matters so delegated by the TC Directors may be decided by the TC Directors.<

Authority not herein delegated has been reserved to the \*>Director of the USPTO< and may be delegated to appropriate officials on an ad hoc basis. [Bold and italics added for emphasis.]

8. MPEP 1002.02(b) states in pertinent part that:

1002.02(b) Petitions and Requests Decided by the Office of the Deputy Commissioner for Patent Examination Policy [R-2]

All petitions decided by the Office of the Deputy Commissioner for Patent Examination Policy other than by the PCT Legal Administration (see MPEP § 1002.02(p)), and inquiries relating thereto, should be directed to "\*\*\*>Mail Stop Petition, Commissioner for Patents, P.O. Box 1450, Alexandria, Virginia 22313-1450<," except as otherwise provided. For example, applications for patent term extension under 35 U.S.C. 156 should be directed to \*>Mail Stop< Patent Ext.

...

3. Petitions to invoke the supervisory authority of the \*>Director of the USPTO< under 37 CFR 1.181 in matters not otherwise provided for.

...

15. Petitions to review a decision of Technology Center Director, 37 CFR 1.181.

9. 37 CFR 1.181 states in pertinent part that:

1.181 Petition to the Director.

(a) Petition may be taken to the Director:

- (1) From any action or requirement of any examiner in the ex parte prosecution of an application, or in ex parte or inter partes prosecution of a reexamination proceeding which is not subject to appeal to the Board of Patent Appeals and Interferences or to the court;
  - (2) In cases in which a statute or the rules specify that the matter is to be determined directly by or reviewed by the Director; and
  - (3) To invoke the supervisory authority of the Director in appropriate circumstances. For petitions involving action of the Board of Patent Appeals and Interferences, see § 41.3 of this title.
  - (b) Any such petition must contain a statement of the facts involved and the point or points to be reviewed and the action requested. Briefs or memoranda, if any, in support thereof should accompany or be embodied in the petition; and where facts are to be proven, the proof in the form of affidavits or declarations (and exhibits, if any) must accompany the petition.
  - (c) When a petition is taken from an action or requirement of an examiner in the ex parte prosecution of an application, or in the ex parte or inter partes prosecution of a reexamination proceeding, it may be required that there have been a proper request for reconsideration (§ 1.111) and a repeated action by the examiner. The examiner may be directed by the Director to furnish a written statement, within a specified time, setting forth the reasons for his or her decision upon the matters averred in the petition, supplying a copy to the petitioner.
  - (d) Where a fee is required for a petition to the Director the appropriate section of this part will so indicate. If any required fee does not accompany the petition, the petition will be dismissed.
  - (e) Oral hearing will not be granted except when considered necessary by the Director.
  - (f) The mere filing of a petition will not stay any period for reply that may be running against the application, nor act as a stay of other proceedings. Any petition under this part not filed within two months of the mailing date of the action or notice from which relief is requested may be dismissed as untimely, except as otherwise provided. This two-month period is not extendable.
  - (g) The Director may delegate to appropriate Patent and Trademark Office officials the determination of petitions.
10. On or about 11/3/ 2008, the USPTO issued a "Notice of Non-Compliant Amendment (37 CFR 1.121)" (herein after "Notice" in Application 11/153,377 stating therein that "C. Each claim has not been provided with th proper status identifier, and as such, the individual status of each claim cannot be identified." The Notice was signed by "Jamisue A Piuncinski, Primary Examiner, Art Unit 3629."
  11. The Notice required the applicant to timely file a paper within "one month, or thirty (3) days, whichever is longer" correcting the alleged formal error or face abandonment of patent application 11/153,377, stating that "Failure to timely respond to this notice will result in: Abandonment ....".
  12. In response to the Notice, the Complainant, filed a paper on 11/25/2008 titled "37 CFR

1.111 SUPPLEMENTAL AMENDMENT IN RESPONSE TO A NON-FINAL OFFICE ACTION" (hereinafter "Response") as well as a petition on 12/19/2008 (hereinafter "Petition") in which the Complainant traversed the requirements of the Notice as improper.

13. In the 11/25/2008 Response, the Complainant stated in relevant part that:

**I. Notice of Non-Compliant Amendment**

This supplemental amendment complies with the requirements in the notice of non compliant amendment mailed November 3, 2008. The Notice appears to require claims designated with status identifier "(Previously presented)" that were previously present in the application to be redesignated "(Original)". That requirement is baseless. No rule requires an original claims that was previously presented to be designated "(Original)" instead of "(Previously presented)". The applicant is petitioning to have requirement withdrawn and to reinstate the previously filed amendment. However, the examiner can moot the petition by sua sponte withdrawing the notice and reinstating the prior amendment in response to this amendment.

11. In the 12/19/2008 Petition, the Complainant stated in relevant part that:

**37 CFR 1.181 PETITION TO WITHDRAW THE NOTIFICATION OF NON-COMPLIANT APPEAL BRIEF DATED MARCH 31, 2008**

Sir:

In response to the Notice of Non-Compliant Amendment mailed November 3, 2008, the applicant traverses the requirement as improper and petitions the Director to withdraw the requirements contained in the Notice of Non-Compliant Amendment mailed November 3, 2008.

**I. STATEMENT OF RELIEF REQUESTED**

The applicant petitions the Director to instruct the examiner to:

- (1) accept and enter and act upon the amendment filed July 17, 2008 as meeting the requirements of 37 CFR 1.121 and 1.4;
- (2) expunge the requirement to submit a revised amendment so that it is clear that that requirement was improper, and so that that requirement cannot detrimentally affect patent term adjustment;
- (3) specify in the decision that the application will not lose patent term based upon 37 CFR 1.704(c)(7) due to the issuance of the improper notice and revised amendment in response thereto by applicant.

**II. STATEMENT OF MATERIAL FACTS**

1. On July 17, 2008, the applicant filed an amendment that listed the claim status identifier (Previously Presented) to refer to status of claims that were previously presented in the application.
2. On November 3, 2008, the USPTO mailed a notice of non-compliant amendment (37 CFR 1.121), which stated, on its continuation sheet, that:  
Claims which have not been amended and are part of the original set of claims should be indicated as being (Original). The identifier (Previously

Presented) is used for claims which have been previously amended or were not part of the original set of claims filed with the application.

3. For support, the examiner referred to 37 CFR 1.121(c), which states in pertinent part that:

(c) Claims. Amendments to a claim must be made by rewriting the entire claim with all changes (e.g., additions and deletions) as indicated in this subsection, except when the claim is being canceled. Each amendment document that includes a change to an existing claim, cancellation of an existing claim or addition of a new claim, must include a complete listing of all claims ever presented, including the text of all pending and withdrawn claims, in the application. The claim listing, including the text of the claims, in the amendment document will serve to replace all prior versions of the claims, in the application. In the claim listing, the status of every claim must be indicated after its claim number by using one of the following identifiers in a parenthetical expression: (Original), (Currently amended), (Canceled), (Withdrawn), (Previously presented), (New), and (Not entered).

4. There is no requirement in 37 CFR 1.121 that states that the claim status identifier "Previously presented" cannot be used in an amendment to refer to specify status of a claim that was, in fact, previously presented, in the application.

5. Furthermore, the applicant notes that MPEP 714, II. C. (A), supports using the status identifier (Previously Presented) in the same manner as in the applicant's previous amendment. MPEP 714, II. C. (A) states in pertinent part that:

If applicant files a subsequent amendment, applicant must use the status identifier (previously presented) if the claims are not being amended, or (currently amended) if the claims are being amended, in the subsequent amendment.

6. Finally, this petition is not moot due to 37 CFR 1.704(c)(7). 37 CFR 1.704(c)(7) reduces PTA by the period between when a defective paper purporting to respond to an action was filed to the date a paper curing the defect was filed.

7. On November 25, 2008, applicant filed a supplemental amendment that complied with the November 3, 2008 notice of non-compliant amendment.

8. No fee is required for this petition.

### **III. REASONS WHY THE RELIEF REQUESTED SHOULD BE GRANTED**

There is no basis for the requirement and the requirement is improper. In addition, the requirement is not moot because it may detrimentally affect the applicant's rights.

14. The term "PTA" referred to in the petition means Patent Term Adjustment, which is a period of time added to the base 20 year patent term resulting from delays by the USPTO in timely issuing a patent, as specified in 35 USC 154. Thus, in the Petition the Complainant requested that the Notice be expunged, explaining why failing to expunge the Notice would result in loss of substantive rights, specifically, a reduction in the term of the patent issuing from the application.

15. Complainant filed the Response because failing to do so would have resulted in abandonment of the patent application, notwithstanding the filing of the Petition, not because the Complainant agreed with the propriety of the requirement.
16. Under USPTO rules, petitioning against a procedural requirement, such as the Notice, would not have stayed any deadline from running. Accordingly, failure to have responded to the Notice, whether or not it was proper, would have resulted in loss of rights.
17. On 4/30/2009, the USPTO dated for mailing a Decision dated 4/29/2009, from the USPTO, titled "PETITION TO INVOKE SUPERVISORY AUTHORITY UNDER 37 C.F.R. 1.181" denying the Petition. The Decision denying the Petition stated that:

The petition is DENIED.

A Notice of Non-Compliant Amendment under 37 CFR 1.121 was mailed to the applicant on November 3, 2008 indicating that the amendment of July 17, 2008 was improper because each claim has not been provided with the proper status identifier. Specifically, claims that should have been identified as "Original" were identified as "Previously Presented".

According to 37 CFR 1.121 (5) the status of every claim must be indicated after its claim number by using one of the following identifiers in a parenthetical expression: (Original), (Currently amended), (Canceled), (Withdrawn), (Previously presented), (New) and (Not entered). Since a claim can only fall into one of the different identifier categories an original claim would not be identified as "Previously presented". Therefore, identifying original claims as "Previously presented" is improper and the Notice of Non-Compliant mailed on July 17, 2008 was proper.

Furthermore, regarding MPEP 714, ii.(C), there is no indication that the applicant should change the identifier from "Original" to "previously Presented" when filing an amendment that includes the original claims.

The amendment filed on November 25, 2008 has been entered and forwarded to the examiner for review.

Any questions concerning this decision should be directed to John G. Weiss at (571) 272-6812.

Summary: Petition DENIED

18. The petition was signed by Wynn Coggins, Director, Patent Technology Center 3600.
19. On 6/4/2009, the Complainant filed a Petition for review, (hereinafter "6/4/2009 Petition for Review,") of the April 29, 2009 Decision. This Petition was titled "37 CFR 1.181 PETITION TO OFFICE OF THE COMMISSIONER TO REVIEW THE APRIL 29, 2009 DECISION ON PETITION TO INVOKE SUPERVISORY AUTHORITY".
20. In the 6/4/2009 Petition for Review, the Complainant requested that the Office of the Commissioner review and overturn the Decision on the Petition, stating in pertinent part

that:

In response to the decision on the petition to invoke supervisory authority under 37 CFR 1.181 dated April 29, 2009 and further to the notice of non-compliant amendment mailed November 3, 2008, the applicant petitions the Office of the Commissioner to review the April 29, 2009 decision.

**I. STATEMENT OF RELIEF REQUESTED**

The applicant petitions the Office of the Commissioner to:

(1) review the decision on the petition to invoke supervisory authority under 37 CFR 1.181 dated April 29, 2009 to determine whether or not identifying an "original" claim as "previously presented", as the applicant has done in this application, is proper and meets the requirements of 37 CFR 1.121;

(2) instruct the examiner to expunge the requirement to submit a revised amendment so it is clear that that requirement was improper, and so that that requirement cannot detrimentally affect patent term adjustment;

(3) instruct the examiner to specify in the decision that the application will not lose patent term based upon 37 CFR 1.704(c)(7) due to the issuance of the improper notice and revised amendment in response thereto by applicant.

**II. STATEMENT OF MATERIAL FACTS**

1. On July 17, 2008, the applicant filed an amendment that listed the claim status identifier (Previously Presented) to refer to status of claims that were previously presented in the application.

2. On November 3, 2008, the USPTO mailed a notice of non-compliant amendment (37 CFR 1.121), which stated on the continuation sheet that:

Claims which have not been amended and are part of the original set of claims should be indicated as being (Original). The identifier (Previously Presented) is used for claims which have been previously amended or were not part of the original set of claims filed with the application.

3. For support, the examiner referred to 37 CFR 1.121(c), which states in pertinent part that:

(c) Claims. Amendments to a claim must be made by rewriting the entire claim with all changes (e.g., additions and deletions) as indicated in this subsection, except when the claim is being canceled. Each amendment document that includes a change to an existing claim, cancellation of an existing claim or addition of a new claim, must include a complete listing of all claims ever presented, including the text of all pending and withdrawn claims, in the application. The claim listing, including the text of the claims, in the amendment document will serve to replace all prior versions of the claims, in the application. In the claim listing, the status of every claim must be indicated after its claim number by using one of the following identifiers in a parenthetical expression: (Original), (Currently amended), (Canceled), (Withdrawn), (Previously presented), (New), and (Not entered).

4. There is no requirement in 37 CFR 1.121 that states that the claim status identifier "Previously presented" cannot be used in an amendment to refer to specify status of a claim that was, in fact, previously presented, in the application.

5. Furthermore, the applicant notes that MPEP 714, II. C. (A), supports using

the status identifier (Previously Presented) in the same manner as in the applicant's previous amendment. MPEP 714, II. C. (A) states in pertinent part that:

Claims added by a preliminary amendment must have the status identifier (new) instead of (original), even when the preliminary amendment is present on the filing date of the application and such claim is treated as part of the original disclosure. If applicant files a subsequent amendment, applicant must use the status identifier (previously presented) if the claims are not being amended, or (currently amended) if the claims are being amended, in the subsequent amendment. Claims that are canceled by a preliminary amendment that is present on the filing date of the application are required to be listed and must have the status identifier (canceled) in the preliminary amendment and in any subsequent amendment.

6. The applicant also notes that MPEP 714, II. C. (E), states in pertinent part that:

The Office may also accept additional variations of the status identifiers provided in 37 CFR 1.121 (c) not listed above if an Office personnel determines that the status of the claims is accurate and clear.

7. This petition is not moot due to 37 CFR 1.704(c)(7). 37 CFR 1.704(c)(7) reduces PTA by the period between when a defective paper purporting to respond to an action was filed to the date a paper curing the defect was filed.

8. On November 25, 2008, applicant filed a supplemental amendment that complied with the November 3, 2008 notice of non-compliant amendment.

9. On March 9, 2009, the USPTO mailed an office action in response to the amendment filed November 25, 2008.

10. On April 29, 2009, the USPTO issued a denial of the petition to invoke supervisory authority under 37 CFR 1.181.

11. The April 29, 2009 petition decision states in pertinent part (with interpolation added) that:

Since a claim can only fall into one of the different identifier categories an original claim would not be identified as "Previously presented". Therefore, identifying original claims as "Previously presented" is improper and the Notice of Non-Compliant mailed on July 17, 2008 [November 3, 2008] was proper. There is no cited support in rules or statute for this conclusion.

12. On June 1, 2009, John G. Weiss, who was listed as the contact person on the April 29, 2009 petition decision, returned my phone call and left a voice message which stated that: "I met with some people because it's not as clear as should be in the MPEP. However, the Office position is that the Previously Presented should be used only for Previously Presented amendments. Original should always be designated as Originals simply for the purpose of examination."

13. On June 2, 2009, I spoke with Joe Thomas in the Commissioner's Office, who said that in his opinion, the April 29, 2009 petition decision is in accord with the MPEP.

14. The \$400 fee required for this petition has been submitted via EFS authorization.

**III. REASONS WHY THE RELIEF REQUESTED SHOULD BE**



## **GRANTED**

There is no basis for the requirement and the requirement is improper. The applicant has cited passages from the MPEP (facts 5 and 6 above) that support the applicant's position. Regarding fact 6, the status identifier "Previously Presented" is accurate and clear.

In contrast, the decision in the April 29, 2009 petition does not have sufficient basis in the MPEP.

In addition, the requirement is not moot because it may detrimentally affect the applicant's rights in this and possibly other applications.

21. On 4/7/2010, the USPTO issued a First Decision on the 6/4/2009 Petition for Review (herein after "First Decision on the Petition for Review "), dismissing the 6/4/2009 Petition for Review as, allegedly, moot. The decision was signed by Examiner Page.
22. On 4/14/2010, Richard Neifeld spoke with Examiner Page, verbally requesting reconsideration. Richard Neifeld summarized the discussion with Examiner Page in a contemporaneous email also dated 4/14/2010, (stored in a file named "Decision\_PIP171SIMRU-US\_4-14-2010.msg"), which states in relevant part:

Examiner Page signed the decision dated 4/7/2010.

Rick Neifeld for the applicant spoke with Examiner Page just now, since we disagree with the basis for the decision and its inferences that we acquiesced by filing a paper complying with the original requirement to change status identifiers of claims.

Mr. Page stated that filing a petition would have staid the time for responding to the Notice.

Mr. Page stated that by filing a paper complying with the requirement in the Notice instead of filing a petition against the requirement, we had acquiesced to that requirement.

We pointed out that PTO rules specify that failing to file a paper responding to a deadline would result in abandonment, and that petitioning against a procedural action under applicable PTO rules did not stay any deadline running.

Mr. Page said that if we filed a request for reconsideration, he would have the request reviewed by a supervisor, and that the decision on request for reconsideration would be a final agency action. A final agency action triggers a right for judicial review, in this case APA review.

We are filing this request for reconsideration and also preparing for the filing of a simple E.D VA APA action on this issue, in case the PTO maintains its position.

23. On 4/16/2010, the Complainant responded to the 4/7/2010 First Decision on the 6/4/2009 Petition for Review by filing a paper titled "RENEWED PETITION UNDER 37 CFR 1.181" (herein after Petition for review of the 4/7/2010 First Decision on the 6/4/2009

Petition for Review "

24. However, on or shortly after 4/20/2010, the USPTO issued a paper dated 4/20/2010 titled "CORRECTED DECISION ON PETITION", also in response to the 6/4/2009 Petition for Review (herein after the "Second Decision on the 6/4/2009 Petition for Review").
25. Second Decision on the 6/4/2009 Petition for Review also dismissed the 6/4/2009 petition as moot, but on entirely different grounds than those presented in the First Decision on the 6/4/2009 Petition for Review.
26. The Second Decision on the 6/4/2009 Petition for Review stated in pertinent part that:

This is a decision on the petition, filed June 4, 2009, under 37 CFR 1.181, requesting a review of the decision dated April 29, 2009, expungement of the Notice of Noncompliant Amendment, and instruct the examiner to record that the application will not detrimentally affect patent term adjustment. A review of the file indicates that the petition was in fact filed within two months of the Notice of Non-Compliant Amendment. Therefore the decision issued April 7, 2009 is hereby vacated and the following decision issued.

The petition is DISMISSED.

A review of the record indicates that on July 17, 2008, the applicant filed an amendment that listed the claim status identifier "(Previously Presented)" to refer to status of claims that were present at the time of filing the instant application. On November 3, 2008, the USPTO mailed a Notice of Non-Compliant Amendment requiring that claims presented at the time of filing have the status identifier "(Original)". In response, petitioner filed an amendment on November 25, 2008 correcting the status identifiers "(Previously Presented)" to "(Original)", and on December 19, 2008 submitted a petition to accept, enter, and act on the amendment as meeting the requirements of 37 CFR 1.121 and 37 CFR 1.4. Additionally petitioner requested expungement of the requirement to submit a revised amendment and a recording to the file that the application would not lose patent term based upon 37 CFR 1.704(c)(7). On March 9, 2009, the examiner, being satisfied that the claims were now in proper form, issued an office action on the said amended claims. The petition filed December 19, 2008 was denied and Petitioner now seeks review under 37 CFR 1.181.

A review of the file record indicates that this petition must be dismissed. A review of the Notice of Non-Compliant Letter dated November 25, 2008 correctly indicates that the amendment filed July 17, 2008 contained new claims that were identified as "Previously Presented". New claims are identified by the status identifiers "Original Claim" or "Originally filed Claim". The Office may accept additional variations of a status identifier provided that the Office personnel determine that the status of the claim is accurate and clear. Here the Office personnel determined that the status identifier of originally filed claims presented in the amendment filed July 17, 2008 was not accurate and clear. Therefore the Notice of Non-Compliant Amendment was proper and the paper will not be expunged nor consideration given to Patent Term Adjustment at this

time.

A review of the Technology Center Director's decision indicates that the Director's decision was not arbitrary or erroneous and hence the petition is dismissed.

Any request for request for reconsideration of this decision must be submitted within TWO (2) MONTHS from the mail date of this decision. Extensions of time under 37 CFR 1.136(a) are permitted. The request should include a cover letter entitled "Renewed Petition under 37 CFR 1.181".

27. On 4/22/2010, in response to the Second Decision on the 6/4/2009 Petition for Review (that is, the "CORRECTED" decision noted in the preceding), the Complainant filed yet another petition, this time, titled "Second Renewed Petition Under 37 CFR 1.181 (SECOND REQUEST FOR RECONSIDERATION)" requesting the relief in all prior petitions. A copy of that petition filed April 22, 2010 is attached as Exhibit I to the complaint.

28. The 4/22/2010 petition stated in pertinent part that:

In response to the "corrected" decision on the petition dated April 20, 2010, the applicant requests reconsideration. It was the Offices corrected decision that prompted this request for reconsideration, which is therefore supplemental to the request for reconsideration filed 4/16/2010. However, the applicant does not withdraw the request filed 4/16/2010.

SECOND RENEWED PETITION UNDER 37 CFR 1.181  
(SECOND REQUEST FOR RECONSIDERATION)

I. RELIEF REQUESTED

The applicant requests the relief requested in the original petition.

II. MATERIAL FACTS

The applicant incorporates by reference herein the request for reconsideration previously filed 4/16/2010 (paper titled "RENEWED PETITION UNDER 37 CFR 1.181"), and all papers incorporated by reference therein.

On 4/20/2010, the office issued a "Corrected" decision, which is also incorporated herein by reference.

III. REASONING

In view of the "Corrected Decision on Petition" dated 4/20/2010, which is apparently a replacement of the "Decision on Petition" dated 4/7/2010, the applicant supplements the request for reconsideration filed 4/16/2010 (paper titled "RENEWED PETITION UNDER 37 CFR 1.181") with this request. This request responds to the changes in the Office's reasoning supporting denial of the original petition.

The 4/20/2010 "Corrected Decision on Petition" does not include and therefore abandons the assertions from the 4/7/2010 "Decision on Petition", specifically:

(1) that "[t]here was no preserved right to petition once compliance with the Notice has been received by the Office";

(2) that "[t]here was no request that the requirement be held in abeyance,

noting that the applicant voluntarily chose to continue prosecution of the application by the submission of [an]... amendment"; and

(3) that "[a]rguments regarding patent term issues based on 37 CFR 1.04(c)(7) due to issuance of an improper notice, are not convincing since applicants [sic] response November 25, 2008 removed any traverse of said Notice."

The applicant submits that for purposes of judicial review, the Office's retraction of item (1) is an admission by the Office and therefore conclusive proof that the applicant did not abandon right to review of the propriety of the Notice.

The applicant submits that for purposes of judicial review, the Office's retraction of item (2) is an admission by the Office and therefore conclusive proof that there was a timely "request that the requirement be held in abeyance".

The applicant submits that for purposes of judicial review, the Office's retraction of item (3) is an admission and therefore conclusive proof that the applicant's "[a]rguments regarding patent term issues based on 37 CFR 1.704(c)(7) due to issuance of an improper notice, are ... convincing". Those arguments, in a nutshell, are that the Office's reduction of patent term resulting from the improper Notice, are an improper taking of property rights.

Instead of the abandoned theories and assertions contained in the 4/7/2010 decision, the 4/20/2010 "corrected" decision reasons only that:

A review of the file record indicates that this petition must be dismissed. A review of the Notice of Non-Compliant Letter dated November 25, 2008 correctly indicates that the amendment filed July 17, 2008 contained new claims that were identified as "Previously Presented". New claims are identified by the status identifiers "Original Claim" or "Originally filed Claim". The Office may accept additional va provided that the Office personnel determine s that the status of the claim is accurate and clear. Here the Office personnel determined that the status identifier of originally filed claims presented in the amendment filed July 17, 2008 was not accurate and clear.

Therefore the Notice of Non-Compliant Amendment was proper and the paper will not be 'expunged nor consideration given to Patent Term Adjustment at this time. A review of the Technology Center Director's decision indicates that the Director's decision was not arbitrary or erroneous and hence the petition is dismissed. [Decision pages 1 and 2.]

The applicant disagrees with the reasoning in the "corrected" decision.

First, the statement "A review of the Notice of Non-Compliant Letter dated November 25, 2008 correctly indicates that the amendment filed July 17, 2008 contained new claims that were identified as 'Previously Presented'" is a non sequitur. First, it is a non sequitur because review of the Notice cannot possible [sic; possibly] "correctly" indicate what "the amendment filed July 17, 2008" contained. Asserting that review of the Notice correctly indicated what was in some other paper evidences lack of personal knowledge. The petitions examiner is respectfully requested to clarify the record, since this case is apparently going to district court for review. Did the petitions examiner compare the statements in the Notice to the status identifiers in the claims presented in the amendment filed July 17, 2008, or not? If so, what did that comparison show?

Second, it is a non sequitur because, lacking comparison of the claims present in the July 17, 2008 amendment to the claims originally filed, how could the petitions examiner conclude that the claims filed July 17, 2008 were "new"? Again, the petitions examiner is requested to clarify the record for purposes of judicial review; what exactly did the petitions examiner review to reach conclusions, and what are the legally relevant facts in the eyes of the Office.

Second, the applicant disagrees that the claims presented in the amendment filed July 17, 2008 were "new" claims. These claims had been previously presented in the application, and therefore were not "new".

Third, the applicant disputes the implied assertion that PTO rule require that "New [sic; not previously amended] claims are [sic; must be, in order to comply with USPTO rule 1.121] identified by the status identifiers 'Original Claim' or 'Originally filed Claim'". Nothing in rule 1.121 so states. To the extent the Office relies upon some other as yet unspecified guidance, such as the MPEP, OG notice, or internal memos to paralegals, such guidance is binding only upon Office personnel, not upon an applicant. Only rules promulgate in accordance with law are binding on the applicant. Cf. In re Sullivan, Docket No. 03-1278 (Fed. Cir. March 22, 2004)(notice-and-comment rulemaking giving controlling weight because it was subject to notice and rulemaking process citing Chevron U.S.A., Inc. v. Natural Res. Def. Council, Inc., 467 U.S. 837, 844 (1984).).

Fourth, the applicant submits that there is no basis in fact for the conclusion in the decision that "Office personnel determined that the status identifier of originally filed claims presented in the amendment filed July 17,2008 was not accurate and clear." Specifically, nothing on the record indicates that office personnel made such a determination that claim status identifiers were not accurate or clear. In fact, the only statement of relevance in that Notice indicates the contrary, that office personnel knew exactly what the status indicators and therefore had determined that the status indicators were "accurate and clear". That statement is:

Continuation of 4(e) Other: Claims which have not been amended and are part of the original set of claims should be indicated as being (Original). The identifier (Previously Presented) is used for claims which have been previously amended or were not part of the original set of claims filed with the application.

That statement indicates that Office personnel knew that the status identifiers meant that the claims presented in the amendment had "not been amended and ... [were] part of the original set of claims". For purposes of judicial review, the judge should know that USPTO rule 1.121 requires that claims have both status identifiers and markings (underlining for words added, and strikeout for words deleted) showing all changes relative to the prior version of the claim. cursory review of the claims in the July 17,2008 amendment indicates to anyone that they are not amended, since they contain no underlining or strikeout of text.

Fifth, the applicant disputes the conclusion that the "Notice of Non-Compliant Amendment was proper "because the "status identifier ... was [sic; were] not accurate and clear". Whether status identifiers were "accurate and clear" is not a test for compliance with rule 1.121. The conclusion, even if true, that the "status identifier[s were]... not accurate and clear" is not a conclusion that

the applicant violated rule 1.121. If "status identifier[s were]... not accurate and clear", but complied with 37 CFR 1.121, then the Office has no basis in law for issuing the disputed Notice. In fact, the amendment filed July 17, 2008 did comply with 37 CFR 1.121 because the claims for which status identifiers stated "Previously presented" were in fact previously presented in a prior filed paper in the application. The Office's gripe is that those claims in the amendment were not amended relative to the originally filed claims filed in a prior paper, and the Office, at least in the business methods area of the Office, apparently in hindsight would like claims filed without any changes relative to originally filed claims not be specified as "Previously Presented". However, that is not what rule 1.121 requires. Read the rule. All it states in relevant part is that "In the claim listing, the status of every claim must be indicated after its claim number by using one of the following identifiers in a parenthetical expression: (Original), (Currently amended), (Canceled), (Withdrawn), (Previously presented), (New), and (Not entered)." 37 CFR 1.121(c). The applicant's amendment, listing claims that were in fact previously presented with status identifiers "Previously Presented" literally complies with the rule.

Moreover, of all the choices, Previously presented is the only choice unambiguously correct, because the claims were in fact previously presented. In contrast, those claims were not "new" because they had in fact been previously presented. Therefore, Offices position that previously presented claims mus have status identifier "New" is both illogical and contrary to any reasonable interpretation of its own rule.

For all of the foregoing reasons, all the reasons in the prior request filed 4/16/2010, and all the reasons in the original petition, the original relief requested should be granted. [Spelling errors in the original corrected, for clarity.]

29. On 6/8/2010, Richard Neifeld spoke with Examiner Page, who projected that he would decide the pending request for reconsideration some time in August, 2010.
30. Further, application 11/153,377 is on appeal to the Board of Patent Appeals and Interferences (BPAI). It is the practice of the BPAI refuse files in which petitions remain outstanding and remand those files to the examining corps for decision, before the BPAI will accept the file for appeal.

#### CLAIMS FOR RELIEF

31. The Complainant request the Court to Order the Director of the USPTO to provide the relief specified in the petitions. Specifically, to Order the Director to:

- (1) accept and enter and act upon the amendment filed July 17, 2008 as meeting the requirements of 37 CFR 1.121 and 1.4;

- (2) expunge the requirement to submit a revised amendment so that it is clear that that requirement was improper, and so that that requirement cannot detrimentally affect patent term adjustment;

- (3) specify in the decision that the application will not lose patent term

based upon 37 CFR 1.704(c)(7) due to the issuance of the improper notice and revised amendment in response thereto by applicant.

32. The Complainant requests judgement on the pleadings. If the respondent contests any fact, the Complainant will respond and supplement the record and requests judgement on the pleadings after the Complainant has responded to any contested fact.

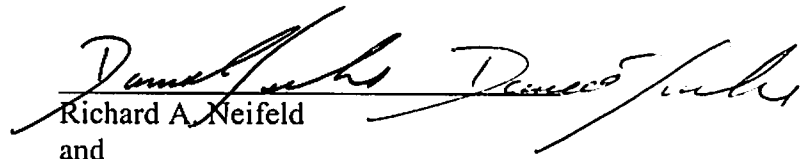
#### WHY THE COURT HAS JURISDICTION

33. 12/19/2008 Petition was a petition under 37 CFR 1.181, which, by the Directors own manual, section 1002.02 and 1002.02(b) decision of which is a final agency action. Accordingly, the denial of that petition is reviewable by this Court.
34. Second, the complainant has repeatedly petitions the Director for relief. The original petition was denied, and the Complainant's subsequent petitions were in fact requests for reconsideration of the original decision. A decision on a request for reconsideration is normally final for purposes of Court review of agency action. However, except for the decision on the original petition, all of the subsequent decisions have "dismissed" the applicant's petition for procedural relief. Complainant submits that any repeated decision, a decision on a request for reconsideration, be deemed final for purposes of Court review of agency action. If not, then the Director may avoid review by simply continuing to "dismiss" the requests for relief instead of denying them.
35. Third, as noted in the facts, Richard Neifeld already verbally requested reconsideration from Examiner Page, and Examiner Page issued a decision, the 4/20/2010 decision, as a result of that verbal request. The decision on 4/20/2010 defacto admitted that the 4/7/2010 decision was wrong, but not repeating any of the basis for denying the relief specified in the 4/7/2010 decision. The decision dated 4/20/2010, is also untenable for the reasons noted in the facts specifying the Complainant's response to the 4/20/2010 Decision.
36. Thus, the second and subsequent Decisions on the petitions were each either final for purpose of agency review, providing this Court Jurisdiction, or they collectively fall under the Southern Pacific Terminal Co. v. ICC, 219 U.S. 498 (1911) doctrine of exceptions to the requirement for final agency action for Court review.
37. Further, application 11/153,377 is on appeal. Given the USPTO propensity for failing to grant the requested procedural relief, as evidenced by the facts above, and the BPAI policy of remanding cases with undecided petitions, this application will likely be stuck in an endless loop, a continuing black hole, in the USPTO, bouncing back from the BPAI, to hear repeated petitions for relief on this procedural issue, -- unless the Court hears this case.

#### WHY THE COURT SHOULD GRANT THE RELIEF REQUESTED

38. The Court should grant the relief requested because the requirement complained of is arbitrary, capricious, and an abuse of discretion, because: the requirement is inconsistent with the requirement in 37 CFR 1.121, or at a minimum, not required by 37 CFR 1.121, and also contrary to guidance provided to the examiners and the public in the MPEP.
39. The USPTO abused its discretion by declaring that the status identifier of originally file claims presented in the amendment filed July 17, 2008 was not accurate and clear.
40. The USPTO has acted arbitrary and capriciously by declaring that the Complainant relinquished its right to petition once it responded to the Notice.
41. The USPTO has acted arbitrary and capriciously by dismissing instead of deciding the multiple petitions. The agency's action in this case results in loss of Complainant substantive rights, namely, an adjustment to the term of the patent to issue from the subject application.

6-17-2011  
Date

  
Richard A. Neifeld  
and  
Daniel Sachs  
Counsels for Complaint  
4813- B Eisenhower Avenue  
Alexandria, VA 22304