

# MUIRHEAD AND SATURNELLI, LLC

*Specializing in Intellectual Property Law*

## *IP FLASH*

### NEW U.S. PATENT AND TRADEMARK OFFICE RULES DECLARED VOID

The U.S. District Court for the Eastern District of Virginia issued a decision on April 1, 2008 in the case of *Tafas v. Dudas* holding that the proposed new U.S. Patent and Trademark Office (USPTO) rules released on August 21, 2007 concerning changes to examination practices involving claims and continuation applications are "null and void". The court permanently enjoined the USPTO from enacting the new rules and found that the new rules are substantive in nature and exceed the scope of the USPTO's rulemaking authority under 35 U.S.C. §2(b)(2).

In granting summary judgment, the court rejected the USPTO's contention that the new rules are procedural and that it is within the authority of the USPTO to promulgate the new rules. The court found that the new rules change existing law and alter the rights of applicants under the Patent Act and are therefore substantive in nature. The court concluded that because the USPTO's rulemaking authority under 35 U.S.C. §2(b)(2) does not extend to substantive rules, the new rules are void as "otherwise not in accordance with law" and "in excess of statutory jurisdiction [and] authority." The court indicated that it has not issued any decision concerning whether the new rules are contrary to other provisions of the Patent Act, holding only that a determination that the rules are substantive in nature is sufficient to compel the finding that the new rules are null and void.

As promoted by the USPTO, the new rules were directed to patent reform to improve the quality and timeliness of the application examination process. Although these goals are laudable, many members of the patent bar found the new rules to be an intrusive and ill-advised method for achieving the desired results. Improving the patent examination process is an ongoing effort by the USPTO, and it is likely that the USPTO will continue to take other steps to effect rule changes and to influence legislative action in the name of patent reform.

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