

Who Can Sign a Substitute Statement?

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AIA PROVISIONS

Section 4 of the AIA¹ provided for a juristic entity to be the applicant for patent by amending 35 USC 118.² This change expanded the assignee's right to seek a patent even against the inventor's wishes.³

PTO COMMENTS ON CORRESPONDING REGULATORY CHANGES

In "Changes To Implement the Inventor's Oath or Declaration Provisions of the Leahy-Smith America Invents Act; Final Rule", 77 FR 48776 (8/14/2012), the PTO promulgated rules to implement the inventor oath and declaration provisions of the AIA. However, that rule making also promulgated miscellaneous changes to rules for power of attorney, and for prosecution of an application by an assignee.⁴

The PTO changed the rules of practice to require juristic entity applicant had to be represented by a patent attorney, stating that "Thus, all papers submitted on behalf of a juristic entity must be signed by a patent practitioner unless otherwise specified, § 1.33(b)(3)."⁵ The PTO explained that "Juristic entities include corporations (MPEP § 409.03(b)) or other non-human entities created by law and given certain legal rights."⁶ The PTO explained the reason for the requirement that all papers submitted on behalf of juristic entities be signed by a patent attorney, as follows:

This change is for consistency with the change in practice concerning who is the applicant for patent in § 1.42. Thus, all papers submitted on behalf of a juristic entity must be signed by a patent practitioner unless otherwise specified, § 1.33(b)(3). Juristic entities include corporations (MPEP § 409.03(b)) or other non-human entities created by law and given certain legal rights. This change is because juristic entities have been attempting to prosecute patent applications before the Office pro se and requesting additional assistance from examiners. Juristic entities attempting to prosecute patent applications before the Office pro se also make more procedural errors that result in delays in prosecution. Accordingly, this change will facilitate a reduction in the Office's backlog and pendency by reducing prosecution delays caused by procedural errors.⁷

The seemingly clear explanation above is conflated by PTO interpretation of the corresponding rules of practice for juristic entity applicants. The following paragraphs outline the relevant rule provisions.

WHO IS THE "APPLICANT"?

Rule 1.42(a) defines the "applicant" to be "the person applying for a patent as provided in §§ 1.43, 1.45, or 1.46." Rule 1.42(b) further provides that, for a juristic entity applicant pursuant to rule 1.46, "applicant" means "the assignee, the person to whom the inventor is under an obligation to assign the invention, or the person who otherwise shows sufficient proprietary interest in the matter, who is applying for a patent under § 1.46."

WHO MUST SIGN FOR THE JURISTIC ENTITY APPLICANT?

Rule 1.33(b)(3) (Correspondence respecting patent applications; amendments and other papers) states that "Unless otherwise specified, all papers submitted on behalf of a juristic entity must be signed by a patent practitioner." 1.31 (right to representation) states that "A . . . juristic entity (e.g., organizational assignee) must be represented by a patent practitioner even if the juristic entity is the applicant." These rules indicate that a patent attorney (or agent) must sign for a juristic entity applicant.

WHAT IS A SUBSTITUTE STATEMENT?

Rule 1.64(a)(1) states that a substitute statement is a "statement in lieu of an oath or declaration".

WHO CAN SIGN A SUBSTITUTE STATEMENT?

Rule 1.64(a) states that 'An applicant under § 1.43, 1.45 or 1.46 may execute a substitute statement in lieu of an oath or declaration under § 1.63" if the inventor cannot or will not sign a rule 1.63 inventor declaration. Of course, a juristic entity cannot sign per se; some person must sign on it s behalf. Who is that person?

PTO INTERPRETATION OF WHO CAN SIGN A SUBSTITUTE STATEMENT

On November 19, 2013, after having left written email and verbal voicemail inquiries for PTO officials respecting this question, two officials in the PTO's Office of Patent Legal Administration (OPLA) called me in order to answer this question. We had a long and substantive discussion. They indicated that the PTO interpretation is that an attorney "of record" (aka having power of attorney) in an application on behalf of the applicant does not have, as a result of being the attorney of record in the application, sufficient authority to sign a substitute statement. These OPLA officials cited, as authority for this interpretation (1) the words of rule 1.64(a) (which state that "An applicant under § 1.43, 1.45 or 1.46 may execute a substitute statement..."); (2) 77 FR 48785, left column, first full paragraph (interpreting rule 1.42(d)); and (3) AIA question and answer number IOD4000, on http://www.uspto.gov/aia_implementation/faqs_inventors_oath.jsp#heading-11. Accordingly, barring a showing that a patent attorney has been granted the same authority as an officer or director of the juristic entity, the PTO will not recognize a substitute statement signed by that patent attorney.

COMMENTS AND SUGGESTIONS

The PTO's rules regarding who can sign a substitute statement have caused considerable confusion in the patent bar. The are, if not internally inconsistent, at best, confusing. At a minimum, the PTO should promulgate a rule change clarifying and making explicit their interpretation of who can sign a substitute statement.

The PTO's interpretation of its rule is also disappointing to me, and to other members of the patent bar, because it is inefficient and provides a PTO centric view of the process. As noted above, the PTO's goal in requiring a patent attorney to sign for a juristic entity was for the PTO's benefit, specifically, to prevent having to provide to non patent attorney's "additional assistance from examiners". That statement indicates that the PTO failed to consider the consequences of its change on its customers, the applicants and patent attorneys. One such consequence is the

burden on applicants. That burden is specified by the substitute statement rule, rule 1.66. Rule 1.66(a)(4) states that the person signing the substitute statement must "[have] reviewed and understands the contents of the application," must be "aware of the duty to disclose"; and must contain a jurat "that any willful false statement made in such statement is punishable under section 1001 of title 18 by fine or imprisonment of not more than 5 years, or both." In the normal course of practice, patent attorneys can and will make those statements on behalf of their clients, in-house counsel at large corporations, if they were allowed to do so in their capacity as the attorney of record. They drafted the application, the facts regarding why an inventor is not signing, the rules and their legal consequences. Failing to allow the patent attorney of record to sign a substitute statement imposes inefficiencies and hardship on large corporate applicants. Specifically, by requiring an officer or director to review and understand the contents of the application; understand the duty to disclose with respect to the application; understand 18 USC 1001; and know the facts why the inventor has not signed an inventor declaration. However, officers and directors at large companies are ill suited for that kind of activity, and they generally have better things to do with their time!

1. Public Law 112–29 (9/16/2011); 125 STAT. 284 (2011).

2. 35 USC 118, as amended by the AIA, reads in relevant part:

A person to whom the inventor has assigned or is under an obligation to assign the invention may make an application for patent. A person who otherwise shows sufficient proprietary interest in the matter may make an application for patent

3. See Matal, "A Guide to the Legislative History of the America Invents Act: Part II of II," 21 Fed. Cir. Bar J. 539 (2012), at 545.

4. "Changes To Implement the Inventor's Oath or Declaration Provisions of the Leahy-Smith America Invents Act; Final Rule", 77 FR 48776 (8/14/2012), "Miscellaneous Changes" at 77 FR 48780, right column.

5. *Id.* at 48782, middle column.

6. *Id.*

7. *Id.*