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Sent: Wednesday, May 03, 2006 1:48 PM

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Subject: IBM Comments re: Changes to Practice for Examination of Claims in Patent Applications

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May 3, 2006

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IBM Corporation Comments in response to Notice of Proposed Rule Making
“Changes to Practice for the Examination of Claims in Patent Applications”
71 Fed. Reg. 61 (January 3, 2006)

IBM strongly supports the concept of limiting the number of claims that need to be examined. As has been widely discussed, there is a public perception that the USPTO is issuing significant numbers of patents of questionable quality. The USPTO can address this concern by eliminating an unproductive portion of examiner workload thereby allowing examiners to focus on the substantive merits of the most important claims in patent applications. The stated purpose of the proposed rules is to streamline the examination process and assist in relieving the backlog of patent applications, enabling the USPTO to make best use of its resources. IBM encourages the USPTO and agrees with the Office’s attempt to reduce overwhelming numbers of claims in favor of quality examinations.

REPRESENTATIVE CLAIMS

The USPTO is proposing to revise the current practice for examination of claims. The proposed rules adopt a ten claim “representative claim” standard. The Office’s position is that the examination process is less efficient than it could be and wastes examination effort because it requires an initial patentability examination of every claim in an application, even though the dependent claims frequently stand or fall together with the independent claims from which they directly or indirectly depend. The loss of efficiency of examination is particularly acute in applications with a prohibitive number of claims. We agree with the proposal to adopt a “representative claim” examination standard to help reduce the burden on examiners. We also agree that the overall concern should be the completeness of the examination process and the quality of the granted patent.

Under the proposed rules there will be no substantive examination or file wrapper estoppel created for the non-representative claims that differ substantively from the representative claims. By the time the examiner has determined that the representative claims are allowable, the examiner will have already conducted a prior art search, issued one or two Office Actions, and considered one or two responses (i.e. amendments and remarks) from applicant. It is unrealistic to think that the examiner will conduct another search for new features of the non-representative claims and issue one or two more Office Actions and further read one or two more responses from the applicant. To do so would increase the examiner's workload contrary to the objectives of the proposed rule changes. The USPTO acknowledged this in their comments accompanying the proposed rule change.

Thus, the examiner is likely to give automatic approval to all non-representative, dependent claims under 35 U.S.C. Sections 102 and 103 (even if they differ in scope from the representative claims) on the premise that the base independent claim was given a full examination and found to be patentable under 35 U.S.C. Sections 102 and 103. The non-representative dependent claims will be examined only for compliance with 35 U.S.C. Sections 101 and 112. Consequently, an applicant will not know if there is prior art for any of the non-representative claims that differ substantively from the representative claims, and there will be no file wrapper estoppel for such dependent claims. These are factors that will be considered if the base independent claim is later found to be invalid. In this case, the validity and scope of the non-representative dependent claims will be important issues. The burden will then fall on the public to determine whether there is prior art for these claims and the scope of such claims.

Under the proposed rules, there will be an "indirect" search and examination of the non-representative claims that are similar in substance to the representative claims, because of the similarity in substance. Also, for the non-representative claims that are similar in substance to the representative claims, arguments made by the applicant to distinguish the representative claims from the prior art should be applicable to the similar non-representative claims. Thus, there will be file wrapper estoppel created for the non-representative claims that are similar in substance to the representative claims.

However, this is not true for the non-representative, dependent claims that differ substantially from the representative claims. There will be no file wrapper estoppel for any non-representative claims that differ substantially from the representative claims because their subject matter will not be argued during prosecution of the representative claims. In addition, the search conducted for the representative claims will not be applicable to the non-representative claims that differ substantively. As for the non-representative claims that are somewhat similar to the representative claims, it is uncertain whether any file wrapper estoppel that applies to the representative claim will apply to the somewhat similar non-representative claim. Also, it is uncertain whether the search conducted for the representative claims will be applicable to the non-representative claims. The overall result will be uncertainty as to the scope of claims that were not designated for initial examination and differ substantially from the representative claims, and uncertainty whether these dependent claims add a

patentable feature. Again, these factors will be important if the base claim is later found to be invalid.

Because we want to preserve the long-standing aids to claim analysis that result from (a) search and substantive examination by the examiner of all claims, and (b) file wrapper estoppel of the independent claims and significant dependent claims argued by applicant, we propose the following to ensure that all claims are examined on their merits, without further burdening the examiner:

In the original patent filing, applicant should be required to classify all claims as either “representative” claims or “corresponding” claims, which accordingly will be examined as follows:

Class 1). Representative Claims - Applicants can designate one or more independent claims and their dependent claims as “representative”. If the total number of representative claims is ten or less, no Examination Support Document is required. If the total number of representative claims is greater than ten, the Examination Support Document is required for all “representative” claims. All representative claims are fully examined on their merits starting with the initial examination of the patent application..

Class 2). Corresponding Claims. The other independent and dependent claims that “correspond” to representative claims will be considered “corresponding claims.” The “corresponding” claims must have substantially the same inventive concept as the representative claims. Typically, the “corresponding” claims will have a different claim format or statutory class (scope), i.e. system, method or article of manufacture, than their representative claims. Corresponding claims will be examined when their representative claims are found to be allowable. Any claim that is not a “corresponding” claim must be classified as a “representative” claim and is counted for purpose of determining whether an Examination Support Document is required. If applicant fails to properly classify a claim as representative (because it differs substantively from another, representative claim), then the examiner would have the option of objecting, and require cancellation, amendment or the Examination Support Document if the total number of representative claims now exceeds ten. Consequently, all claims that have a substantively different feature will be fully examined starting with the initial examination of the patent application..

For example, the representative claims may be method claims, and the corresponding claims may be system and program product claims. For the “corresponding” claims, the applicant will supply a “Corresponding-Claim Chart” listing in one column the representative claim and in another column the corresponding claim(s). The applicant must state that “the corresponding claims have a substantially similar inventive concept as the representative claims”. If a representative claim is amended, the corresponding claims should be similarly amended in the same amendment. The corresponding claims will be examined when the representative claims are in condition for allowance. For example, if the representative claims are found to be allowable in response to the first amendment, the examiner will concurrently examine the corresponding claims.

The examination of the corresponding claims with substantially the same inventive concept as the representative claims will be deferred until the representative claims are considered allowable. The examination of the corresponding claims should generally be easy for the examiner at that time, based on the prior examination of the representative claims. This is because the corresponding claims have a substantially similar inventive concept as the representative claims that were found to be allowable after a full examination. Thus, under our proposed "two class" format, all non-representative claims can be examined quickly and substantively without any additional searching. Typically, the examiner can reach a patentability decision at the time the representative claims are allowed based on the previous prior art search. If the non-representative claims are truly corresponding, they will typically also be allowable along with the representative claims. While there can be differences in claim scope between a "means plus function" claim and a method claim, the previous search should be sufficient. If the non-representative claims are not truly corresponding, then the examiner would object on this basis, and require cancellation, amendment or the Examination Support Document.

As noted above, because the examiner will search and examine all representative claims, and because all other claims will be similar in substance to the representative claims, the examiner's search for the representative claims will be sufficient for the non-representative claims as well. Consequently, all claims will indirectly or directly receive a search by the examiner.

When responding to a first Office Action, an applicant generally argues the independent claims as well as the key dependent claims, establishing file wrapper estoppel for each claim that is argued. File wrapper estoppel for a dependent claim is important if the independent claim is later found to be invalid, and the scope of the dependent claim is at issue. Under our proposed "two class" format, all of the non-representative claims must closely correspond to respective representative claims, so any file wrapper estoppel established for any of the representative claims would apply to the corresponding non representative claims.

Our proposed "two class" format will generally permit a total of ten to thirty total claims without requiring an Examination Support Document, depending on the number of substantially different independent claims and the number of claim formats. For example, with one independent claim and nine dependent claims as representative, and three claim formats, there can be a total of thirty claims, without an Examination Support Document. With two substantially different independent claims and four dependent claims each as representative, and three claim formats for each set, there can be a total of thirty claims without an Examination Support Document. These numbers should be sufficient for most applications, yet only require de novo review by the examiner of ten claims.

Further, the Office's goal of reducing the burden on examiners may be accomplished in another manner. At this time, according to Rule 1.103(d), an applicant can defer

examination but has little incentive to do so. The applicant is required to file a request, pay a deferral fee, as well as submit the basic filing fee, search fee and examination fee. While the USPTO rules provide for a refund of the search fee if the application is abandoned before the search or the examination commences, there is no provision for refunding the examination fee if the applicant chooses to abandon the application after the search but before substantive examination. If applicants can save money by abandoning applications no longer deemed viable, applications will drop out of the system freeing valuable USPTO examination resources to focus on quality examination of the remaining applications, as well as reducing pendency.

EXAMINATION SUPPORT DOCUMENT

We note that certain provisions of proposed Rule 1.261 appear to raise some issues. Proposed Rule 1.261(a)(1) requires that the preexamination search identify the field of search by USPTO class and subclass, but does not contemplate that the search may have been done by keyword. Moreover, proposed Rule 1.261(b) requires that the search “encompass” all the claimed features of both the representative independent claims as well as the designated dependent claims. Any final rule should define the word "encompass" or otherwise provide clear guidance so an applicant will know how to comply with this requirement. In general, searches tend to focus on the point of novelty, and applicants assume that the examiner is fully aware of well known features. While we believe that conceptually this proposed rule is a good idea, without such a definition, it may be difficult for an applicant to have confidence that a search actually “encompassed” all claimed features, particularly for longer claims. The result here could be a net increase in search expenses.

Furthermore, proposed Rule 1.261(a)(3) requires an applicant to indicate all limitations of the independent claims and the designated dependent claims disclosed in a reference. This, however, may be too strong an admission for the applicant to make. Consider the example where an applicant cited a first reference for claimed limitation A and other references for their showing of claimed limitation B. In this case, the applicant might not have noted that the first reference also shows claimed limitation B, and therefore may not mention it in the examination support document. This harmless oversight may lead to the patent being invalidated or unenforceable. IBM suggests the language of the rule be modified to state that an examination support document must include “a statement of the relevance of each reference to the limitations in the claim”.

Proposed Rule 1.261(a)(4) requires an explanation of patentability over each reference. Although we strongly agree that the applicant should share the burden of assuring patents quality, we believe that this provision shifts too much of the burden of determining patentability away from the examiner. Proposed Rule 1.261(a)(5) requires a statement of the utility of invention, which may be sought primarily for life sciences inventions, but the issue of utility almost never arises during prosecution. Therefore, it is unclear as to what the exact purpose is behind this requirement. Although we understand the problem created by applications filed with numerous claims that

overwhelm the examination process, we suggest that increased utilization of Rule 1.105 for requesting information, or clarification, from the applicant would rectify this situation in a less burdensome manner.

In summary, IBM supports the concept of limiting the number of claims that need to be examined. We have made some suggestions as to how the rules can better balance the needs of the USPTO in judiciously using its limited resources with the needs of the applicant.

Respectfully Submitted,

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