

-----Original Message-----

**From:** Pike, John K. [mailto:John.Pike@dlapiper.com]

**Sent:** Wednesday, May 03, 2006 10:08 PM

**To:** Clarke, Robert

**Cc:** AB94Comments; Chotkowski, Kim S.; Bruce.bernstein@interdigital.com

**Subject:** InterDigital Communication Corporation Comments on Claims Examination Practice

Robert A. Clarke

Deputy Director

Office of Patent Legal Administration

Office of the Deputy Director for Patent Examination Policy

Dear Mr. Clarke,

Attached are the comments of InterDigital Communications Corporation on the proposed rules changes to "Practice for the Examination of Claims in Patent Applications."

InterDigital appreciates the opportunity to offer these comments and would greatly appreciate confirmation that the comments have been received by the U.S. Patent and Trademark Office.

Respectfully submitted,

John K. Pike

John K. Pike, Ph.D.

DLA Piper Rudnick Gray Cary US LLP

1200 Nineteenth Street, N.W.

Washington, D.C. 20036-2412

202-861-6879 (tel)

202-223-2085 (fax)

May 3, 2006

The Honorable Jon Dudas  
Under Secretary of Commerce for Intellectual Property  
and Director of the United States Patent and Trademark Office  
Mail Stop Comments  
P.O. Box 1450  
Alexandria, VA 22313-1450  
Attn: Robert W. Bahr  
Senior Patent Attorney  
Office of the Deputy Commissioner  
for Patent Examination Policy

Comments on Proposed Rules: "Changes to Practice for the Examination of Claims in Patent Applications" 71 Fed. Reg. 61 (January 3, 2006)

Dear Under Secretary Dudas:

InterDigital Communications Corporation ("InterDigital") appreciates the opportunity to offer comments regarding the U.S. Patent and Trademark Office ("PTO") proposed rules directed to changes in practice for the examination of claims in patent applications published at 71 Fed. Reg. 61 (January 3, 2006).

### **InterDigital Communications Corporation**

InterDigital designs, develops and provides advanced wireless technologies and products that drive voice and data communications. InterDigital is a leading contributor to the global wireless standards and holds a strong portfolio of patented technologies, which it licenses to manufacturers of 2G, 2.5G, 3G and 802 products worldwide. InterDigital offers baseband product solutions and protocol software for 3G multimode terminals and converged devices delivering time to market performance and cost benefits. InterDigital has been listed on the Intellectual Property Owners Association's ("IPO's") top 300 companies having issued patents for the past four years.

### **InterDigital Position Summary**

The PTO has proposed dramatic and complex changes to focus the initial examination process on claims designated by the application as representative

claims. While InterDigital applauds the PTO's goals, InterDigital believes that the proposed changes are premature, will be ineffective in addressing the problems identified by the PTO, and, rather than solving the problems, will create greater uncertainty and inefficiency in the patent application process and will not result in better patent quality or reduced application pendency. The proposed changes will most likely cause additional problems that are far more reaching in scope than the present identified issues. InterDigital urges the PTO to not adopt the proposed changes.

### **InterDigital Supports AIPLA's Recommendations as Set Forth in Their Position Paper Submitted to the PTO on April 24, 2006**

InterDigital has read and is in agreement with the American Intellectual Property Law Association's ("AIPLA's") characterization of the rule changes submitted to the PTO on April 24, 2006. InterDigital agrees with the AIPLA that "[t]hese proposed changes, taken individually or together, are troubling." InterDigital believes that the PTO's proposal to severely limit the number of claims in an application for initial examination would limit the ability of an applicant to obtain claims for an invention that are commensurate with the full scope of the contribution by the inventor(s). InterDigital also believes that the PTO's proposal to severely limit the opportunity for continued presentation of claims by means of continuation and continued examination practice would disadvantage applicants by prematurely truncating prosecution of their applications. These proposals would place great pressure on applicants (1) to reduce the scope of the claims pursued (whether in a single application or in unrelated applications) and (2) to accept more narrow claims as a result of the more limited opportunity for continued presentation of claims. As a result, inventors would be far less able to adequately protect their property.

InterDigital believes that the proposed changes, if implemented, would transfer the prosecution of claim validity to the courtroom and create further uncertainty and frustrate the public purpose of the PTO, issues the proposed

rules are designed to avoid. It is likely that these changes will lead to greater uncertainty, inefficiency in the examination process, longer pendency of patent applications, and reduced quality of patents. Instead of improving the patent system, we believe the proposed changes create barriers that would effectively prevent the applicant from fully claiming the scope of his or her invention. We believe that the PTO is reacting to problems which were created over many years and which cannot be solved with quick fixes such as proposed.

InterDigital proposes that the continuation and claim rule changes be delayed until the PTO has fully evaluated their potential effects and considered them in conjunction with other possible actions including hiring more qualified examiners, post grant opposition, third party authorized prior art searching, and reevaluating the process by which the examiners track their work contributions, in addition to a global revamping of the PTO.

### **Changes Would Require Additional Administrative Tasks That Would Detract From Examination**

InterDigital believes the proposed changes will introduce several administrative tasks both for patent examiners and applicants that are likely to detract from patent examination efficiency. The number of disputes prior to examination, especially with respect to the proper designation of claims and the adequacy of an examination support document, is certain to result in longer pendency, examiner inefficiency, and increased overall cost of obtaining a patent.

### **Effort Is Not Wasted**

The PTO suggests that the current practice for examining claims is not efficient because it requires an initial patentability examination of every claim in an application, notwithstanding that this effort is wasted when the patentability of the dependent claims stand or fall together with the independent claim from which they directly or indirectly depend. This may be true in the small percentage of cases where the initial examination determines that all of the claims are

patentable. It is not true, however, in those cases for which a complete search and examination of the independent claims yields a different conclusion.

### **Failure of the PTO to Examine All Claims is an Inefficient Piecemeal Approach to Prosecution**

The PTO's proposal to only examine dependent claims not designated as representative when the independent claims from which they depend are determined to be patentable, and then only for compliance with sections 101 and 112 of title 35, raises serious implications for the presumption of validity for any such claim depending from an independent claim found invalid in litigation.

The proposed practice of deferring the examination of undesignated dependent claims until the application is otherwise ready for allowance appears to be an inefficient and piecemeal approach to examination. It would likely prolong both pendency and the resolution of many issues that arguably could and should have been identified in a complete first Office action. It would also complicate and extend prosecution because the examiner has not identified limitations in undesignated dependent claims that would place a claim in condition for allowance.

The value and enforceability of issued patents examined through this piecemeal practice may be called into question during litigation or in license negotiations. Treating an undesignated claim differently than a designated claim during examination violates the fundamental principle that each claim is a separate definition of the invention.

### **Excessive Claiming Can be Addressed With an Increased Claim Limitation**

InterDigital believes that the Office can address excessive claiming concerns in a simple and straightforward manner. This could be most easily effected by limiting the number of claims permitted and fully examined under the basic fee structure to, for example, 10 independent and 60 total numbered claims, and allowing multiple-dependent on multiple-dependent claims, each counting as a single numbered claim. Additional claims could be permitted but at an appropriate additional cost.

## **Greater Efficiency and Improved Quality Are Doubtful**

In addition to the reevaluating its proposals in lieu of concerns about the inefficiencies of piecemeal examination, the PTO should determine whether the goals of greater efficiency and improved examination quality would in fact result if an examiner were given more time to initially focus on some claims and ignore others. It is far from clear that the current proposals would result in either improved efficiency or improved work product from the examining corps as a whole.

The following comments address the specific provisions of the proposed rules along with alternative suggestions for implementation if these proposals are adopted.

### **Section 1.75(b) Dependent Claims**

InterDigital believes that the proposed amendment to this paragraph would create an unfair and unnecessary burden upon most applicants, particularly those who prepare a modest claim schedule for examination. If these proposed rules are adopted, their application should be limited to the small minority of applications that place an excessive burden on the PTO. As suggested above, applicants who present up to 10 independent claims and no more than 60 total numbered claims should be exempt from a requirement to designate representative claims. In these cases, all presented claims should be examined.

### **Section 1.75(b)(1) Examination Support Document Requirement**

InterDigital believes that this proposed paragraph, if adopted, should be imposed only in those situations which clearly impose a unique burden on the PTO in its examination process, i.e., applications with more than 60 claims. Given the PTO's unwillingness, however, to accept the search report of a foreign office, or use even the international search reports that the Office itself prepares under the Patent Cooperation Treaty, there is no reason to believe that the examination support document would reduce pendency.

## **Suggested Practice**

As an alternative, InterDigital suggests that authorized third party search houses be certified by the PTO and be designated to perform a search for submission to the PTO. Such a search would not extend to or include any legal interpretation of the search. This would eliminate a significant amount of time required by the examiner to perform the search and allow the examiner to consider unbiased prior art in the field. The search authorities would work with the PTO to determine the appropriate search databases according to technology, would be required to search certain database, and list certain information in each report. The cost would be assumed by the applicant, which would have the additional benefit of reducing the drain on the PTO funds. It is urged that the search report should not incorporate any legal interpretation contemplated by proposed Section 1.261(a) 4, 5 and 6. Instead, the scope of such a search report could be limited to: (1) a statement that a pre examination search was conducted; (2) an information disclosure statement; and (3) an identification of all the limitations of the independent claims and designated dependent claims that are disclosed in the cited references. This would eliminate a significant amount of time required by the examiner to complete the search and allow the examiner to consider unbiased prior art in the field. By certifying the search authority the PTO would provide the “safe harbor” that the AIPLA has previously raised as a concern. These authorities would work with the PTO to determine the appropriate search databases according to technology, would be required to search certain database, and would list certain information in each report.

## **Section 1.75(b)(2) Independent Claim Redefined**

InterDigital agrees with the AIPLA and considers it both unnecessary and inappropriate to change the definition of an independent claim to facilitate the proposed representative claim practice. The proposed change in the definition of an independent claim would not only complicate and confuse, it would effectively increase the amount of fees for a given patent application under the new fee schedule adopted by Congress.

If the PTO is going to adopt this proposal, it should issue guidelines for both PTO staff and the public as to how the proposal will be administered in areas where no guidance is available to distinguish among different statutory classes of invention.

**Section 1.75(b)(3) Notice to Applicant**

This one-month period set out in this proposal is too short to prepare and submit an adequate examination support document. In addition, the procedures required to simply identify the designated claims for initial examination would be costly to both the PTO and applicants, decreasing the desired efficiencies. The proposed notice to applicants would itself impose costs since it would have to be generated by an examiner: the Office of Initial Patent Examination would not have the necessary qualifications to do so. It is also foreseeable that another round of communications would be needed if an applicant selects the third option and it is not accepted by the PTO. This would needlessly absorb scarce PTO examination resources and be counterproductive to the stated goal of improving examination efficiency.

**Section 1.75(b)(4) Multiple Applications Containing Patentably Indistinct Claims**

The disincentives set out in this proposed paragraph would discourage most applicants from acknowledging that claims in two or more applications are patentably indistinct. InterDigital objects to this proposal on the grounds that, in addition to increasing prosecution complexity and unnecessarily consuming PTO and applicant resources, it would provide new incentives for applicants to challenge double patenting rejections that are currently, and adequately, handled with a terminal disclaimer.

This proposed practice could reduce the number of representative claims identified for initial examination in related applications to significantly less than ten, depending on the number of related applications which the PTO determines contain patentably indistinct claims. It is both unfair and unwise to further limit the number of claims examined in a single application because it would almost



certainly lead to greater inefficiencies, and may lead to the search and initial examination of only a single claim (e.g., where there are 6-10 related applications) in some applications, notwithstanding that a full search and examination fee is paid in each of the applications.

### **Claims in Alternative Form**

The PTO has requested comments on how claims written in the alternative form, such as claims in an alternative form exemplified by Ex Parte Markush, 1925 Dec. Comm'r. Pat. 126 (1924) should be counted for the purposes of proposed § 1.75(b)(1).

InterDigital believes that, as a fundamental principle, a claim drafted to identify any element, ingredient, or step in the alternative should not be treated any differently than any other claim. InterDigital typically does not practice Markush claiming, but notes that the standard election of species practice is already available should the PTO need to identify alternatives for representative claim purposes. The PTO has not identified any basis for instituting a unique practice to address claims that recite alternative embodiments.

### **Section 1.104 Nature of Examination**

InterDigital's concerns and suggestions made above regarding piecemeal examination also apply to this section.

### **Section 1.105 Requirements for Information**

InterDigital supports the appropriate use of this proposed requirement in situations where a reasonable question exists and is relevant to the determination of patentability. However, it should only be used where this information is relevant to the determination of a patentability issue before the examiner.

### **Section 1.117 Refund Due to Cancellation of Claim**

This proposed paragraph provides for the refund of any part of the excess claim fee specified in 35 U.S.C. § 41(a)(2) for any claim cancelled before an examination on the merits has been made in the application.

InterDigital understands that the authority to make this refund will expire on September 30, 2006, possibly even in advance of publication of any final rule. We support an extension of this authority for the PTO and encourage the PTO to accelerate implementation of this portion of the proposed rules. InterDigital supports the provisions in H.R. 2791 to make permanent the PTO fee structure with protection against fee diversion.

### **Section 1.261(a) Examination Support Document**

An examination support document, as proposed in this section, means a document that includes: (1) a statement that a preexamination search was conducted; (2) an information disclosure statement; (3) an identification of all the limitations of the independent claims and designated dependent claims that are disclosed by the references cited; (4) a detailed explanation of how each designated claim is patentable over the references cited; (5) a concise statement of the utility of the invention; and (6) a showing of where each limitation of the designated claims finds support in the written description not only of the specification under examination, but also of any application from which priority benefit is claimed. InterDigital does not support this provision in its current form, referring to the suggestions made above respecting Section 1.75(b)(1).

### **Section 1.704 Reduction of Period of Patent Term Adjustment**

This proposed paragraph provides that a failure to timely file an examination support document would constitute a failure of an applicant to engage in reasonable efforts to conclude processing or examination that could result in a reduction of any accumulated patent term adjustment. If the proposal for examination support documents is adopted, and if such a document were to be filed by an applicant, the one-month time frame permitted by the PTO to timely submit such a document is clearly inadequate.

### **Implementation**

If the proposed rules are adopted, they should apply only to those applications filed on or after the effective date of the final rule. Indeed, if this

proposed practice is adopted at all, it should be limited to the small minority of applications that pose a unique burden to the Patent and Trademark Office.

We appreciate the opportunity to provide comments on the proposed rules and are available to assist the PTO in further developing patent practice and procedures.

Sincerely,  
Bruce Bernstein  
General Patent Counsel  
InterDigital Communications Corporation