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Subject: Comments on rules re examination of claims_v2.DOC

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These comments are submitted on behalf of San Diego Intellectual Property Law Association

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COMMENTS OF THE SAN DIEGO INTELLECTUAL PROPERTY LAW ASSOCIATION ON NOTICE OF PROPOSED RULEMAKING BY UNITED STATES PATENT AND TRADEMARK OFFICE, ENTITLED:

“Changes to Practice for the Examination of Claims in Patent Applications”

Docket No. 2005-P-067

OPENING REMARKS:

The San Diego Intellectual Property Law Association (“SDIPLA”) believes that the approach taken by the U.S. PTO to deal with excessive numbers of, or duplicative claims, could be improved. Specifically, for many inventions, the limit of 10 claims is simply too low, and it would serve the purposes of the Office and be less burdensome, especially on small entity applicants, to increase excess claims fees rather than require an examination support document. The SDIPLA believes that the following background considerations should be reflected in any rule-making:

1. Not all inventions are created equal. Some inventions are still being made by a sole inventor tinkering in the basement, but more and more inventions are made by teams of inventors in the course of major research or development projects.
2. Some patent application disclosures are appropriately 5 pages; others are appropriately hundreds of pages. Simple inventions might be adequately protected by a few claims. Complex inventions might require a large number of claims.
3. Solutions to the enunciated problems that artificially constrain the ability of innovators to adequately protect their inventions are unacceptable. These include any solution that penalizes major innovations that require more claims, more continuing applications, or more examiner time.
4. The SDIPLA agrees that the U.S. PTO may appropriately implement programs under which inventions that require the most examination resources incur *proportionally* larger fees than those that require a lower amount of resources.

GENERAL COMMENTS ON CURRENT RULES PACKAGE

SDIPLA is sympathetic with the apparent desire of the Office to apportion the costs of prosecution in accordance with the burden placed on the Office by the various applicants. However, the basic solution proposed by the Office appears disproportionately burdensome on innovators attempting to protect complex inventions, which innovators tend to have fewer resources than applicants attempting to protect more incremental improvements. By requiring an examination support document, applicants seeking to prosecute applications with more than 10 claims will incur substantial expense and exposure to allegations of inequitable conduct. In addition, the limitation to 10 claims is unrealistically low. More specific comments follow:

1. The requirement that dependent claims be designated for examination at the outset will probably cause more delays. It is true that there are many dependent claims that the

applicant can recognize do not confer patentability, and these might not need to be examined initially. However, there are many instances where the limitations of certain dependent claims become crucial to patentability and indeed confer patentability when inserted into the independent claims. It is often not predictable by the applicant which of these dependent claims would serve this purpose. This becomes apparent only after, at least, the first Office action, and sometimes after only the second. Furthermore, the Examiner often has insight into identifying limitations contained in dependent claims which confer patentability after his or her review of the claims. This feeds into the issue of multiple continuations as well – it is not infrequent that an amendment entering a limitation of a dependent claim into the independent claim made after final is considered to raise new issues by the examiner, forcing the applicant into an RCE. It would help if the rules were modified to permit amendment after final to include, in an independent claim, the limitations of any claim dependent thereon - including those of non-designated dependent claims – as a matter of right.

2. 37 C.F.R. § 1.104(b) appears to need fixing. An initial examination for formalities not counting as a first Office action on the merits would be helpful. The time for response to a requirement to correct such formalities, could be short – *e.g.*, two months without automatic extension. Thus, the first Office action would not be wasted on eliminating nonstatutory claims, unacceptable multiple dependencies, and grammatical errors.

3. It is not clear that the proposed rules would not disproportionately affect small entities. If it is desirable to pursue more than 10 independent or 10 total claims in an application by complying with rule 1.261, clearly a large entity would be in a better position to comply with this rule as compliance would be a major expense. It would be preferable to increase the extra claims fee rather than to require compliance with rule 1.261 which does more than just shift some of the examination burden to the applicant. How can the public and the Office be certain that an adequate search was in fact performed? Even if the applicant makes a sincere effort to comply, it is all too easy to find flaws in any such endeavor leading to allegations of inequitable conduct in connection with any attempt to enforce the resulting patent.

4. The limit to 10 representative claims appears unrealistically low for inventions in some areas. The statistics provided by the Office are across all subject matter fields. Inventions in high technology and biotechnology areas often require more than 10 representative claims in order adequately to protect the subject matter. If an upper limit is imposed, it should be more realistic – the limit should be at least 20 representative claims.

5. Some of the proposed rules seem helpful. One helpful clarification is the articulation that claims which refer to a claim of a different statutory class would be regarded as independent. 37 C.F.R. § 1.75(b)(2). This appears not often appreciated. Also, 37 C.F.R. § 1.75(b) provides that more than one claim may be presented provided they differ *substantially* from each other and are not unduly multiplied. Although this is in the rule presently, it seems seldom applied. If this rule were enforced, it would be a great service to the profession so that patents would not issue with a multiplicity of duplicative claimed subject matter.

6. It also seems helpful to codify the requirement that the examiner may require a showing of support for any claim in an earlier application from which priority is claimed.

7. As a user-funded agency, the PTO should be willing to examine the full extent of any invention, so long as the applicant is willing to pay the cost of that examination. We note that the PTO already charges claim fees for excess independent and dependent claims. If the PTO were to establish that these fees are insufficient to permit examination of the claims for which they were paid, then a fee adjustment would be appropriate. However, the fees charged should be appropriate for the examination time required, not punitive in an effort to change behavior. Punitive fees would unfairly impact those who make complex inventions.

8. According to the PTO's statistics, less than 2% of applications have more than 10 independent claims. It seems unfair to burden all applicants with the proposed rules, if indeed the problem to be solved is caused by a tiny percentage of patent applications.

9. Most foreign countries have allowed multiply-dependent claims on multiply-dependent claims for years, with no apparent ill effects. While one can theorize problems with this approach, they do not seem to materialize in practice. It is a fiction to propose that such claims require a major added examination burden. If the U.S. were to adopt this almost universally-accepted claim form, counting each such claim only once for fee purposes, it is believed that the number of claims in applications could be significantly reduced, and examination could be simplified. At the same time, U.S. practice would become more in harmony with accepted practice worldwide.

Consideration of the foregoing comments would be appreciated.

Submitted for the San Diego Intellectual Property Law Association

By Kate H. Murashige and Ned A. Israelsen