

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

From: Meri Schindler [mailto:meri_543@yahoo.com] **On Behalf Of** EDSchindler@att.net

Sent: Monday, January 09, 2006 12:39 AM

To: AB93Comments

Cc: RobertLyon1444@sbcglobal.net; EDSchindler@worldnet.att.net; Meri_543@yahoo.com; patent@invention.net; atatlock@atatlock.com.au; EDSchindler@att.net; shg@udl.co.uk

Subject: Proposed Changed to 37 C.F.R. §1.114 (RCE Practice)

Hon. Commissioner for Patents
United States Patent and Trademark Office
P. O. Box 1450
Alexandria, Virginia 22313-1450

Attn: Robert Bahr - Comments to Proposed Changes Limiting RCE Filings to One w/o Petition Showing Good Cause, Etc.

Dear Mr. Bahr,

This e-mail is in response to the PTO's proposed rule change to 37 C.F.R. §1.114, which would require patent applicants who file more than one Request for Continued Examination ("RCE") to file (and have granted) a Petition showing good cause for why a second, or further, RCE filing is required and why the any new argument, etc., was not earlier presented.

The proposed rule change to 37 C.F.R. §1.114 has several flaws, from a PTO procedural standpoint, and would, in any event, violate 35 U.S.C. §133 and could therefore not be implemented:

1. A Request for Continued Examination requires a patent applicant to file a substantive response, or other paper, such as an Information Disclosure Statement, with an RCE filing; unlike the filing of a continuing application, an RCE therefore requires an applicant to advance the prosecution of a patent application. Most commonly, however, an RCE is filed because the outstanding Office Action has been made "final" by an Examiner (justifiably or otherwise.) Title 35, U.S.C. §133 provides a patent applicant with a maximum statutory period of six months in which to respond to an Office Action (though the PTO has the statutory authority to reduce this time period to as little as 30 days and to deny the opportunity for extensions of time, there is no suggestion in the proposed rule-change to alter the extension practice under 37 C.F.R. §1.136(a).)

The proposed rule-change does not appear to state what would happen, and what an applicant can do, if the Petition to file a second (or further) RCE is denied, particularly if the denial is not issued until after the expiration of the six-month statutory period for response. Consider the following situation:

Under the proposed rule-change, if an applicant were respond to a second "final" Office Action with a second Request for Continued Examination, which included

a *bona fide* response to the rejection(s) presented in the final Office Action, along with a Petition under the proposed rule-change within the six-month statutory period for response (including any necessary extensions of time), and the PTO denied the Petition for permitting the applicant to file a second RCE after expiration of the six-month statutory deadline, would the application be held "abandoned?" This would appear to be the implication of the proposed change to 37 C.F.R. §1.114, however, this would violate 35 U.S.C. §133, because a *bona fide* response to an Office Action within the statutory six-month deadline (with any necessary extension of time) is legally sufficient under the statute for maintaining the pendency of an application, *i.e.*, avoiding abandonment. The PTO, in other words, would be assuming the authority, or power, to hold an application "abandoned," even when a *bona fide* response to an outstanding Office Action was timely filed.

The PTO presently has the "inherent" authority to treat a non-bona fide response to an Office Action, *e.g.*, a response to a restriction requirement or election-of-species requirement that does not include an election, as "no response" and to hold an application where such a non-*bona fide* response has been filed as abandoned upon expiration of the period for response under 35 U.S.C. §133. Stated differently, the PTO does not require a rule-change to hold an application "abandoned" in circumstances where an improper response has been filed, even if timely.

Presumably, however, the proposed requirement under 37 C.F.R. §1.114 that a Petition be granted before an otherwise proper second, or further, RCE filing would be permitted (or accepted) would appear to only be applicable, or have relevance, where: (1) a second, or subsequent, RCE is filed; (2) the RCE includes a *bona fide* response to the otherwise final Office Action; and (3) the second or subsequent RCE and *bona fide* response accompanying the RCE are timely filed. Such a filing, it is suggested, cannot be denied acceptance, or otherwise rejected, by the PTO under 35 U.S.C. §133. Alternatively, 35 U.S.C. §133 would mandate that the PTO grant all such Petitions by patent applicants seeking to file a second, or subsequent, RCE that otherwise satisfied the current version of 37 C.F.R. §1.114, rendering the proposed requirement for a Petition an irrelevancy.

2. Currently, Examiners frequently make "final" second, or subsequent, Office Actions, even in situations where the applicant has overcome all grounds for rejection. This is not uncommon, even when an Examiner applies newly-cited prior art in a final rejection. Typically, the final Office Action includes the boilerplate that "Applicant's amendments necessitated the new grounds for rejection," therefore the action is made "final." These final rejections, while clearly improper, are never challenged by applicants, because the time and expense in challenging the finality of such Office Actions, and the availability of filing an RCE under 37 C.F.R. §1.114, render any challenge simply not feasible. Presumably, if the PTO's proposed rule-change to 37 C.F.R. §1.114 were to take

effect, Examiners would have to be barred from "carelessly" or frivolously making Office Actions "final" in situations where there might be any new ground for rejection. Alternatively, the PTO is inviting countless challenges, both administratively and judicially, to the practice of Examiners making "final" virtually any Office Action they so desire, whether or not justified. At present, PTO "after final" practice is simply an invitation to pay the RCE filing fee, which benefits the PTO, and is not terribly unfair to applicants, though not perfect.

3. Even if the proposed rule-change to 37 C.F.R. §1.114 did not otherwise violate 35 U.S.C. §133, and "final" Office Actions were issued only when clearly justified, the PTO (aside from *inter partes* proceedings at the Board of Appeals & Interferences and the Trademark Trial and Appeal Board) does not generally determine issues requiring "fact-finding" analysis. It is for this reason that the PTO ceased investigations into instances of possible violations of 37 C.F.R. §1.56 in 1988 and, instead, leaves it to the courts to determine whether inequitable conduct might have occurred in the patent prosecution practice before the PTO. In short, unless the proposed Petition process under 37 C.F.R. §1.114, even if otherwise consistent with the statute, were to degenerate into little more than another revenue-raising source for the PTO, in which all such Petitions under 37 C.F.R. §1.114 were granted in which a proper second, or subsequent, RCE was filed (as the rule is now written), it would appear that the PTO is ill-equipped to factually determine whether an argument or supporting declaration, etc., included with a second, or subsequent, RCE, should have been earlier filed.

Not unlikely or uncommon, a response to an outstanding Office Action would be filed at, or just prior to, the six-month statutory deadline. Since further extensions of time would be statutorily unavailable, if a declaration or other evidence might not be available when expiration of the six-month deadline was imminent, a competent patent attorney or agent would be faced with the prospect of either intentionally allowing an application to go abandoned, or filing a response, in order to meet the six-month statutory deadline, that might later be held to have been incomplete. No "clean" or good option would appear to exist. Where a foreign applicant is prosecuting a U.S. patent application, correspondence must go from the PTO to the U.S. attorney or agent and to the foreign associate before consideration by the ultimate client. Instructions from the client must then travel in the reverse direction. Filing a response at the end of the statutory six-month deadline is quite common, even if less than complete information or instructions are available to the U.S. patent attorney or agent, in order to meet the outstanding deadline.

4. The discussion of the proposed rule-changes to 37 C.F.R. §1.114, as well as those concerning continuing application practice and the designation of "representative" claims, make mention that only a very small percentage of applications would be affected by such rule-changes. If this is truly the case, then minimal efficiencies (assuming any efficiencies by requiring an expanded

Petition practice under 37 C.F.R. §1.114) would be gained by the PTO. In short, if the proposed rule-changes would affect only a very small percentage of applications, why bother? There are already significant fees for filing RCE's and additional claims, etc., and the PTO is known to run a budgetary surplus. If there is truly a significant benefit to be gained by the proposed rule-changes, and it would seem doubtful, then the PTO should seek a modification of the PTO's fee schedule by statutory amendment by the Congress (*e.g.*, a higher filing fee might be required for filing a second, or subsequent, RCE, leaving it to patent applicants to avoid such additional fees, if so desired.)

For both statutory reasons, (*i.e.*, 35 U.S.C. §133) and the current proclivity of Examiner to make "final" virtually any Office Action they so choose, the proposed rule change to 37 C.F.R. §1.114, concerning the practice of filing Requests for Continued Examination, should not be implemented by the Patent and Trademark Office.

Sincerely,

Edwin D. Schindler, Reg. No. 31,459
Five Hirsch Avenue
P. O. Box 966
Coram, New York 11727-0966

Telephone: (631)474-5373
Fax: (631)474-5374
E-Mail: EDSchindler@worldnet.att.net