

From: Bruce Lilling [mailto:Bruce@lilling.com]
Sent: Thursday, March 30, 2006 7:06 PM
To: AB94Comments
Cc: 'Jackie Zion'; 'Sean Kelleher'
Subject: Changes to Practice For Examination Of Claims

We have several concerns.

First, we represent several foreign clients who use our office to file US patent applications directly or through foreign patent firms.

Almost never do these foreign applications have 10 or fewer claims.

Many times these applications come to us only a few days before the priority deadline.

Based on this new rule, these companies would have to all do new patent searches before filing in the US, as their home country patent office searches would not be accepted. Due to the close timing, this would not be easily accomplished.

For foreign applications, and my recollection is that over 40 % of US applications are by foreign applicants, this rule creates an enormous extra burden. Whereas before they could rely on home country searches, now they cannot and must also do a US search.

In terms of time and money, this will require them to prepare for filing a month or two earlier than normal and add many thousands of dollars to the filing cost.

How is a National Stage application to be treated? Is the International Search Report sufficient for the search requirement?

If it is, why are foreign patent office searches not sufficient?

Concerning our US clients, this new rule will be a significant financial burden on smaller companies and individual inventors. In order to prepare the necessary detailed analysis, the cost of patent applications will increase by several thousands of dollars, depending on the complexity and technology, and few applications will cost less than \$15,000, including the search.

This rule will effectively push many individual inventors and small companies out of the picture and they will not even be able to even consider patents anymore.

Essentially this rule should be called the “individuals and small companies no longer can get patents rule”

During prosecution it is not unusual for independent claims to be amended to include limitations from a dependent claim.

What happens if an applicant makes such an amendment from a non-elected dependent claim.

The rule will also increase both our work and examiner's work, so it will not even serve the intended purpose.

Assuming allowed claims are found, now an examiner has to go back and re-open Examination to review the originally non-elected claims.

We do not understand how this saves any time for the Examiner.

It seems that many times examiners will need 2 searches instead of one and certainly will need to substantively exam the claims at least twice.

As for subsections 5 and 6 of proposed rules 1.261(a), they make no sense. Cross referencing each line of the claims back to the Specification is a complete and total waste of time, especially regarding utility, which is usually self apparent. It seems like this rule was just created to make attorneys' lives more complicated and to price individuals out of the patent market.

In case you have not checked yet, go across the street and speak to Woolcott, or any of the other professional search firms. There is an enormous difference in price between doing a US patent search and doing a search of US patents and also of foreign patents and publications. The added search cost will price individuals out of the market.

According to the AIPLA 2005 biennial economic search the median fee for a search (\$2,999) and application (\$6510) for a case of minimal complexity is over \$9,500. These new rules would more than likely push the cost for searching and filing to about \$15,000. Individuals will be frozen out of the market.

In summary, the rule is terrible because it
Creates more work for examiner with double searches and double examinations
Prices Individuals and small companies out of the patent market
Poses a serious inconvenience to foreign applicants

Bruce E. Lilling
Lilling & Lilling, PLLC
Suite 401
7-11 South Broadway
White Plains, N.Y. 10601
914 684-0600 ext 1
Fax: 914 684-0304