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**Sent:** Sunday, April 30, 2006 7:14 PM

**To:** AB94Comments

**Subject:** Comments by Gary Williams on Proposed Rule Makings AB94

To the Commissioner of Patents,

The attached comments address the Proposed Rule Making published in the Federal Register, Vol. 71, No. 1, Tuesday, January 3, 2006 and identified therein as follows:

37 CFR Part 1

[Docket No.: 2005-P-067]

RIN 0651-AB94

Changes to Practice for the Examination of Claims in Patent Applications

Regards,

Gary S. Williams

Reg. No. 31,066

Comment Concerning Proposed Rule Making RIN 0651-AB94  
Draft date: April 30, 2006

Department of Commerce  
Patent and Trademark Office  
37 CFR Part 1

Comments by  
Gary S. Williams, Reg. 31, 066

Brief Summary of Recommendations:

- 1) In §1.75, change each occurrence of "ten independent claims" to "twenty independent claims" and change each other occurrence of "ten" to "twenty".
- 2) Change the requirements of §1.261 to be the same as for a petition to make special. In the alternative:
  - a) delete §1.261(a)(3) in its entirety; and
  - b) revise the terminal portion of §1.261(b) to read: "The preexamination search referred to in paragraph (a)(1) of this section must include a search, for each independent claim and each designated dependent claim, directed to the claimed invention and encompass all of the features of the claim, giving the claim the broadest reasonable interpretation."

#### A) The Ten-Claim Limitation

As discussed below, a limitation of twenty designated claims, instead of ten, would eliminate the vast majority of problems with this proposed rule change, and would also limit the impact of the rule change to the most complex applications.

While the proposed rule changes concerning claims designated for initial examination are directed to a real problem (applications that have very large numbers of claims), the prosecution of ordinary applications, which typically have under 50 claims, will also be severely impacted by the proposed change to Rule 1.75.

In both electronics and the computer related arts, it is frequently necessary to submit at least six independent claims – three on a first entity and three on a second entity. For example, many inventions relate to systems or methods that involve communications or information transfers between client and server, or between transmitter and receiver. For each of the two entities, apparatus, method and computer program product claims must be submitted. This results in at least six independent claims. Furthermore, it is not unusual for an invention to require two distinct claim approaches, resulting in 8 to 12 independent claims. Other fairly standard claim strategies can also increase the number of independent claims.

The net result of all this is that limiting the number of designated claims to ten will prevent efficient examination of the primary features represented by the dependent claims in many "ordinary" applications.

Patent applications have traditionally included up to twenty claims. Only applications with more than twenty claims have required the payment of additional filing fees. While the number "twenty" may not be magic, it is sufficient in the large majority of inventions to enable the drafter to cover all or most of the important combinations of features or steps of the invention.

It is entirely predictable that limiting the number of designated claims to ten will result in longer examinations, and either more requests for continued examination, more continuation applications, or more appeals, because two office actions will prove to be insufficient to resolve patentability issues in a much larger number of cases due to the lack of claim depth. It is frequently the case that features in dependent claims are found to be support patentability. However, if those dependent claims are not examined due to the ten claim limitation, the traditional path for efficient resolution of the pending application will be lost, requiring both the applicant and the USPTO to expend additional resources on appeals, or RCEs or continuations (depending on the outcome of the proposed rule making concerning RCEs and continuations).

For example, by placing a limit of ten on the number of claims to be examined, more applicants will be forced to submit responses to first office actions that include the addition of limitations not found in the originally designated claims. In turn, Examiners will issue second, final office actions that state, for the first time, new grounds of rejection. Since Examiners routinely refuse to consider amendments after final rejection, and filing an RCE would eliminate the opportunity to file a continuation application under the proposed rule changes (see Notice of Proposed Rule Making AB-93), Applicants will be forced to file appeals without ever having a chance (prior to appeal) to rebut the Examiner's rejections in the second office action.

The unintended consequences associated with the proposed "ten designated claims" limitation are all too predictably going to be large and widespread. Large numbers of otherwise unnecessary appeals will be the inevitable result. The real target here should be patent applications with truly large numbers of claims, such as those with more than 50 claims, or perhaps those with more than 100 claims. A revision of the proposed rule to "twenty designated claims" is strongly recommended.

## B) The Examination Support Document

The requirements stated in proposed rule §1.261 are truly draconian when due consideration is given to their impact on ordinary applications. There are at least three major problems with the rule as proposed, as well as some minor problems.

By far the biggest of these problems is the "admission against interest" requirement of §1.261(a)(3). The rule requires a limitation-by-limitation evaluation of every limitation of every designated claims against every cited reference. Any mistaken admission, or insufficiently qualified admission that a limitation is found in a reference will have permanent consequences on the scope of the resulting patent. As a result, applicants lacking the resources to dedicate litigation-level resources to the preparation of an Examination Support Document will either (A)

if they are well advised by their counsel, will never (or only very rarely) designate more than ten claims and therefore will never (or only very rarely) file an Examination Support Document, or (B) will submit an Examination Support Document at their peril. Please do not mistake the brevity of this paragraph for an indication of the importance of this aspect of my comments. Rule 1.261(a)(3) is prejudicial to applicants with limited resources, and to applicants with complex or visionary inventions.

A second problem associated with the proposed rule making is that the cost associated with filing an Examination Support Document may rival or even exceed the cost of preparing and filing an ordinary patent application. For instance, proposed rule §1.261(a)(3) requires that the admissions against interest be made with respect to each and every cited reference. Patent applications routinely cite dozens of references, and the cost of preparing a fully compliant Examination Support Document will be proportional to the number of references cited. The practical impact of making §1.261(a)(3) applicable to every cited reference will be to strongly discourage the designation of more than ten claims. While this may be the goal of the proposed rule making, the proposed ruling making also recognizes that the ten claim limitation is not sufficient for some applications. The Examination Support Document imposes a significant penalty on such applicants, perhaps even more so than was contemplated by its authors.

As an aside, it is noted that the realities of patent litigation have forced applicants and their counsel to apply an extreme standard to the determination of what references to disclose in an information disclosure statement (IDS), resulting in IDSs that cite many references that are at best marginally related to the claimed invention. The number of patents issuing with more than fifty citations has grown enormously over the last ten or twenty years, in direct reaction to litigation tactics. Failure to cite prior publications of the inventors, references cited in other applications on the same product, product line or the like, subject the practitioner to the risk of being accused of unethical conduct and the potential loss of one's livelihood. Proposed rule §1.261(a)(3) will result in clients putting pressure on counsel to cite fewer references. §1.261 as currently drafted may also encourage applicants to seek out the least qualified searchers. These are most certainly not healthy dynamics, and any final rule making should seek to avoid putting counsel or applicants in the position where they are under pressure to be less inclusive in their citations of prior art references.

A third problem associated with the proposed rule making is the non-extendable one-month period specified in §1.261(c). The only standard for rejecting an Examination Support Document is that the Examination Support Document or the preexamination search "is deemed to be insufficient." The consequence of failure to comply within a month is abandonment of the application. Furthermore, communications mailed by the USPTO to applicants or their counsel often take a week to arrive at their destination. The author of this comment works in Palo Alto, California, and a week differential between the "mailing date" listed on the communication and the date of physical arrival is common. This proposed rule effectively gives the applicant three weeks in which to possibly redo both the preexamination search and to then prepare a compliant Examination Support Document, which may include admissions against interest that permanently impact on the scope of any resulting patent. Given the gravity and permanence of the impact of an Examination Support Document, and the fact that patent agents and attorneys

may have other work assignments, three weeks is simply not sufficient. Furthermore, the proposed rule provides no process for contesting an Examiner's determination that either the preexamination search or the Examination Support Document is insufficient. This is patently unreasonable. At the very least, the time to reply should be extendable, and two months (instead of one) should be default length of time for reply.

Furthermore, the consequence of failure to timely resubmit a fully compliant Examination Support Document with should not be abandonment of the application. Why should the applicant be placed in a worse position, after attempting to comply with the preexamination search and Examination Support Document requirements, than an applicant who simply accepted the §1.75 limitation on claims designated for examination? Rather, the applicant should have the same options as those provided in §1.75(b)(3): filing a compliant Examination Support Document, canceling claims or rescinding the designation of more than the default number of claims for initial examination, or submitting a suggested restriction requirement.

A fourth problem associated with the proposed rule making is the following portion of §1.261(b)

"and must cover all the features of the designed dependent claims separately from the claim or claims from which the dependent claim depends ...."

This requirement simply makes no sense, as currently stated. If a dependent claim adds an element E to the combination in a parent claim, a search for prior art references that disclose element E separately from elements of the parent claim is likely to produce a worthless pile of references that have no relation to the invention at hand. The likely intent of §1.261(b) is that the pre-examination search must include a separate search for each and every designated claim, and therefore the language of proposed §1.261(b) should be revised to more clearly state this requirement. A suggested restatement of this phrase is shown at the beginning of this comment.

A fifth problem concerns the last sentence of §1.261(b). This sentence uses the phrase "must also encompass the disclosed features that may be claimed." If this is meant to encompass all the features of the undesignated dependent claims, then the rule should so state. If not, then this requirement gives Examiners carte blanche to reject preexamination searches on essentially arbitrary grounds, since no guidance is provided as to which disclosed features "must" be included in the search. Thus, the last sentence of §1.261(b) should be eliminated, or the words "must also encompass" should be replaced with language that makes this expansion of the scope of the preexamination search discretionary.

Given the extensive problems associated with proposed rule 1.261, this commenter recommends that proposed rule 1.261 be replaced by a requirement that the applicant comply with the rules for a "Petition to Make Special" with respect to all designated claims. The rules for Petitions to Make Special are designed to expedite examination, and have the virtues of having been tested and revised over a long period of time.

Another even more moderate proposal would be to replace the proposed changes to rules 1.75 and 1.261 with changes to the rules that charge applicants in proportion to the number of designated claims to be examined. Optionally, an upper bound (e.g., 25 claims in total, including no more than 12 independent claims) on the number of claims that can be designated in any one application might be established, to ensure that the Examiner is able to fully understand all the claims and applicable prior art.