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**Sent:** Wednesday, May 03, 2006 8:42 PM

**To:** AB94Comments

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**Subject:** Comments to USPTO Proposed Rule Changes

Attached are my opposition comments for the proposed rule changes.

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May 3, 2006  
VIA INTERNET

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

**Re: Comments on Proposed Rule Changes:**

- 1.) Changes to Practice for Continuing Applications, Requests for Continued Examination Practice, and Applications Containing Patentably Indistinct Claims (Docket No. 2005-P-066); and**
- 2.) Changes to Practice for the Examination of Claims in Patent Applications (Docket No. 2005-P-067)**

Dear Commissioner of Patents:

**Position Statement:**

I strongly oppose both of the above-identified proposed rule changes because I believe that they are (1) detrimental to the well-being of the United States patent system and the future of the United States, (2) discriminate against individual inventors and other small entity applicants, and (3) are not needed and will not materially improve either the patent application examination backlog or the quality of examination and issuing patents at the USPTO. I ask that the USPTO be patient and allow recently implemented changes to the U.S. patent laws and rules to more completely prove their benefits to reducing the backlog of pending patent applications, improve the quality of issued patents, and improve the public notice of what applicants consider to be their inventions. I also offer a number of suggestions for the USPTO to consider in improving their operations so as to timely and accurately examine presently pending and upcoming anticipated filings.

**Overview:**

First, I believe it is too soon after relatively recent changes in the U.S. patent laws and USPTO rule changes to conclude that the USPTO patent application backlog will continue to increase over time. Second, I will comment specifically on why I oppose the proposed continuation practice rule changes and the proposed representative claims for the examination of claims. Finally, I will propose some alternative approaches that may

be more narrowly focused on solving the patent application examination back-log and improving quality of issued patents.

As a general backdrop on these proposed rule changes, what should be remember in this process is that the entire basis of our patent laws is to give to inventors a limited monopoly to exclude others from making and using their inventions in exchange for disclosure of the details of their inventions and ideas (claimed or not) so as to promote the advancement of the arts and sciences. Assets and wealth generation in the U.S. is becoming increasingly based on intellectual property rights and less on manufacturing or brick and mortar type of investments. Intellectual property is the future of our country. At this time in our history, it is more important than ever to make sure that an inventor's intellectual property rights are protected and preserved. Care should be taken in suggesting any proposed changes to U.S. patent laws and rules so as to not upset the delicate balance between public notice and private property rights.

Although many companies will not comment on the proposed rule changes publicly because of their company policies, my personal survey of interested parties has resulted in almost unanimous opposition to the new proposed rules. I hope that such opposition deters the USPTO from implementing these proposed rule changes and helps them refocus on identifying and fixing the problems in their operations rather than proposing and/or implementing such fundamental changes to the U.S. patent laws and rules.

### **Detailed Comments:**

#### **I. Recent Changes to U.S. Patent Laws and USPTO Rules Need More Time To Improve USPTO Prosecution Back-Log, Quality of Issued Patents, and Improved Public Notice**

The new proposed rule changes are directed to helping to reduce the number of pending patent applications, improve quality of patents, and improve public notice. However, changes to the patent laws and rules over the past few years have or will result in just that. First, a few years ago the patent laws and rules were amended to include publication of patent applications 18 months after the earliest filing date. Along with this change, the patent term was changed from 18 years from issue to 20 years from the earliest filing date. These changes clearly has had significantly improved the public notice function. As a result, the most egregious abuses of submarine patents were eliminated. It must be recognized that no matter how the system is change, there will never be perfect public notice as long as the USPTO issues patents and courts interpret patents anew.

Second, in December, 2004 most of the patent filing fees at the USPTO were increased between 15% and 20% based on the position by the USPTO that the fees were necessary to hire more patent examiners and thereby reduce the number of pending patent applications. The hiring and training of a significant

number of new patent examiners is well under way and the reduction of pending patent applications should soon follow.

Third, let's not forget about the improvement in public notice that has been caused by the courts significantly limiting the doctrine of equivalents. Certainly this has improved the predictability of interpreting patent claims and scaled back the breath of many claims.

Finally, recently the USPTO implemented a viable workable electronic filing system that should result in significant efficiencies for the USPTO that I believe will also help improve the speed of examination and reduce the number of pending patent applications. I can envision a time in the near future when examiners send applicants an email message to resolve questions they have about an invention, the specification, or claims in a patent application.

I believe that the already implemented recent changes to the U.S. patent law system have been significant changes and should prove to be successful over time in reducing the backlog of pending patent applications, improving patent quality and in providing sufficient public notice as to what applicants believe are their inventions without needing further changes to the rules. Therefore, it is my belief that the present proposed rules are being presented prematurely without giving the earlier initiatives enough time to work in reducing the backlog of pending patent applications in the USPTO and providing improved public notice.

## II. Changes to Practice for Continuing Applications, Requests for Continued Examination Practice, and Applications Containing Patentably Indistinct Claims (Docket No. 2005-P-066) Should Not Be Implemented

I oppose the implementation of the proposed rule (or any proposed rule) that will limit the number of continuation applications, CIP, and continued examination requests and make second or subsequent continuation applications, CIP, and continued examination requests subject to USPTO discretion. I believe that applicants should maintain the unfettered right to file as many patent applications or continue prosecution of any pending patent application. Due to the additional cost of these procedures, they are typically used only for what the applicant (and perhaps the commercial markets) believes to be their most important inventions. Most often, the USPTO examiners have a tendency to error on the side of rejecting claims without sufficient support in the prior art. The continuation practice presently in place provides a reasonable avenue for applicants to countermand that tendency.

Contrary to the USPTO comments about the new rules, I believe there is nothing wrong with the strategy of keeping a continuation patent application

pending to get broader claim coverage in the future that an examiner would not allow previously or to tailor the claims to the interpretation of claim language by a court. Linguistics is a big “uncertainty” and difficult for most patent attorneys. Often infringement and validity turn on the interpretation of what at the time of draft a patent application appear to be the most innocuous words or terms. Patent attorneys are not all-knowing and can not be expected to perfectly predict how a court or a potential infringer might interpret the language of a claim. Holding patent attorneys to such a high standard as being able to perfectly predict the future claim language interpretation or technical developments is not reasonable or realistic. Due to the resistance of the examiners to allow broad claims (e.g., using prior art or arguments that are not sufficient to support their position) and courts variation on claim interpretation (approximately 50% of the district courts claims interpretation are overturned at least in part on appeal to the federal circuit), it is equitable to allow applicants the right to file unfettered continuation applications during the present 20 year patent term. I believe that the equities that have been historically established as to what constitutes sufficient public disclosure should be left to the legislature and courts, not to the USPTO, and the balance in this area has already been set sufficiently in favor of public disclosure. Anyone using the technology of another inventor should beware of the inventors legal rights as obtained by one or more patents (issued or pending). Now with the advent of the Internet, access to what is patented and/or pending has never before been more publicly available! Potential infringers should have some responsibility to perform due diligence in product or service clearance.

Further, applicants have no control of what are the present policies and standards used by the USPTO in rejecting or allowing claims and issuing patents. For example, in the last year there has been wide adoption by art units in the USPTO of using a “second pair of eyes” review of all allowed claims. On the other hand, most examiners are allowed to reject any and all the claim of a patent application without another examiner reviewing their decision in detail (perhaps the USPTO should implement peer review of all examiner actions to balance the situation). Based on my experience, this recent USPTO procedure and policy has caused most examiners to error on the side of rejecting all claims, often without support in the prior art, rather than be subjected to another examiner review and criticism. This is a natural human tendency; take the path of the least resistance and/or avoid punishment. It is my understanding that the second pair of eyes procedure has also significantly reduced the number of issued patents this year, and thus likely increase the number of cases that have a continuation application or request for continued prosecution filed and further exacerbated the backlog of pending patent applications. Thus, I believe that given the present second pair of eyes policy of the USPTO, it is important for fairness to the applicant that the present continuation practice be maintained and consideration be given to balancing the playing field by either eliminating the second pair of eyes procedure or requiring a second pair of eyes for all examiner actions (allowances and rejections).

I also believe that the double patenting rules are the proper method of limiting the number of patents and patent term an applicant can have for an invention. Continuation applications are not typically directed toward double patenting, but rather toward crafting claims to be of the scope and interpretation that more closely resembles what the inventor has invented and disclosed. These procedures insure that an applicant can continue to argue his case with an examiner and craft the claims to expand the coverage of the claims in a manner acceptable to the examiner, without the need to invoke a supervisory or oversight role of the examiners supervisor or the BPAI. As a practical matter, applicants look at many considerations when evaluating whether to file a continuation application, a CIP, a request for continued examination, or an appeal. Some considerations include, for example, the preservation of the relationship with the examiner, the cost that will be incurred, the likelihood of success, whether any claims have been allowed, the timeframe for asserting allowed claims, and the length of time it will take to complete the selected avenue. Often the applicant has multiple patent applications that may be examined by a particular examiner, so that preservation of the relationship with the examiner often takes a significant weight in the decision of which avenue to take. Similarly, with small entity applicants are concerned with the cost of a particular approach to continuing to prosecute a patent application, because funds available for patents are often limited. Limiting the number of continuations, CIP and request for continued examination, will unnecessarily adversely impact the relationship between the applicant and the examiner, as well as unfairly disadvantage small entity applicants. Presently, most patent applications that result in continuations, CIP, and request for continuations are inventions that are of great importance to the applicants.

I also do not believe that this proposed rule will result in any significant improvement in the quality of patents. Allowance of poor quality patents are not directly correlated to continuing patents. Although, I believe it will result in better predictability of infringement matters. However, I believe this benefit will be to large companies and will prejudice small companies (small entities) and individual inventors who may not be able to hire the very best patent attorneys or have droves of patent attorneys to follow on a daily basis the developments in claim interpretation by the courts. The small companies and individual inventors will also be prejudiced by the additional costs of filing notice of appeals and arguments on appeal, that will also delay issuance of allowed claims.

The USPTO proposed standard for requesting a second continuation application, CIP application, or continued prosecution is very onerous. The selected standard is very limiting because it requires a showing by the applicant as to why the amendment argument, or evidence presented could not have been previously submitted. Such a standard would presumably preclude an applicant from rightfully filing a second continuation patent application or CIP

application to pursue one set of claims while allowing other claims to go to issue without USPTO approval. This outcome is not acceptable. An applicant should not be faced with an all or nothing outcome of this decision. The applicant should be able to let allowed claims go to issue while further pursuing the patentability of other claims (through, for example, continuing practice or appeal).

The USPTO assessment of gains from implementing this proposed rule change is flawed. I note that the data provided in the Supplementary Information section of the proposed rule, indicates that the number of patent applications that will be eliminated by imposing the proposed rule is relatively low. I agree. Based on this conclusion, then the cost to the applicants far outweighs the benefits that will be derived by the USPTO because these patents are usually the most valuable patents for the applicants (particularly small entities). Also, the USPTO has failed to account for the increased number of new patent applications that will occur due to applicants more narrowly describing related inventions and the filing of more patent applications. The limitations in the proposed rules to associating multiple applications filed at the same time will not be successful in controlling or deterring applicants from filing more patent applications on related systems and inventions. Remember, the applicant is their own lexicographer and has the ultimate control in determining how related the patent applications may ultimately be when filed.

### III. Changes to Practice for the Examination of Claims in Patent Applications (Docket No. 2005-P-067) Should Not Be Implemented

I oppose this rule change because I believe it is not likely to achieve the benefit of improved examination efficiency, is unworkable and is unfair to the applicants. Further, from a practical perspective, in a first office action the examiners in practice appear to more completely examine the independent claims of a patent application, and give only lip service to rejections directed to dependent claims. Subsequently the applicant may argue the separate patentability of the dependent claims. If not, the examination continues focused on the independent claims. Thus, in present practice complete examination often occurs to less than all of the claims. Therefore, I do not expect this proposed rule change by the USPTO to give much improvement in the efficiency of examination.

In the case of patent applications with more than 3 independent claims and 20 total claims, the applicant has paid the USPTO to examine the additional claims. Suggesting that the USPTO can now ignore some or these claims, that the applicant has paid additional fees for, until late in examination seems is inequitable. If this proposed rule change is implemented, than the USPTO should also have a policy of reducing the examination fee and waiting to charge the excess claim fees until just before the claims are amended, or

refunding the excess claim fees and a portion of the examination fee if only 10 claims are examined and the application is ultimately abandoned.

Further, this rule proposal seems more appropriately directed to particular technology areas or art units. It is rare in the electrical or mechanical arts that an applicant will claim much more than 20 claims, the number of claims that are allowed with the filing fee of a patent application. On the other hand, the pharmaceutical, biotech and business method patent applications many times have many more than 20 claims. Some inventions are simply not capable of adequate protection using only 20 claims. Therefore, if implemented, I believe that this proposal should be more narrowly tailored to these technology or art unit areas.

I also oppose the requirement of submitting an examination report if an applicant wishes to have more than 10 claims examined initially. An examination report will add additional expense to the applicants cost of prosecuting a patent application and is tantamount to asking an applicant to create unnecessary prosecution history estoppels. Again, this is a cost and consequence that will be an unfair burden for applicants, and particularly costly for small entity applicants.

On the other hand, I believe that this proposed rule change would be useful as an optional procedure offered by the USPTO to help expedite those patent applications that applicants would like to have examined more quickly. Perhaps, the patent applications where the applicant elects to identify 10 representative claims would be examined first (be moved to the front of the pending patent application que). I believe that this would provide an effective and less intrusive way to evaluate the real benefits of the proposed rule change.

#### IV. Recommendations for USPTO To Reduce The Number of Pending Patent Applications, Improve Patent Quality, and Improve Public Notice

- a. The USPTO should hire an operations consultant to help them successfully implement the hiring of new patent examiners, reduce the backlog of pending patent applications, and improve the quality of issued patents.
- b. The USPTO should offer an optional request for delayed prosecution. Some applicants would not mind if some of their applications have delayed examination. In this way, some of the pending patent applications may be delayed allowing the USPTO to focus on examining patent applications that are more pressing. Alternatively, the laws could be changed to a system similar to some other countries like Japan where examination must be requested. In either case, this should reduce the number of patent applications that need to be examined in the short term allowing the USPTO to eliminate the back log of pending patent applications.



- c. The USPTO might institute a rule that lets the applicant have one group of claims go to issue without delay, while allowing the second set of claims to be appealed to the BPAI rather than filing a continuation application to pursue the rejected claims.
- d. The USPTO might institute a rule that allows applicants to optionally select a limited number of claims to be examined (e.g., 10 claims in the proposed rule changes) in exchange for expedited examination.
- e. Supervisors of examiners should review all office actions in detail for examiners with less than 3 years experience or the examiner has tested and proven a certain level of proficiency in patent law equal to 3 years of experience.
- f. The USPTO should change the present examiner performance and incentive “count” system so that the examiners are motivated to examine more patent applications and produce higher quality allowed patents. The new system should drive all the behaviors that the USPTO desires and give the examiners incentives for examining more cases. Perhaps the USPTO should also consider paying overtime to have the examiners work on reducing the backlog of pending patent applications.
- g. The USPTO should consider tailoring any rule changes narrowly so as to only address areas where problems exist. For example, the rules may be limiting to particular art units or technical areas having a backlog of pending patent applications, quality problems, or public notice concerns. Also, the proposed rules might not be applied to sole inventors and small entities.
- h. The USPTO might institute a policy that promotes the examiners contacting the applicant for an examiner interview with the applicant if they do not understand the invention or claims before a first office action is issued. This will increase the efficiency of examination so that it is disposed of more quickly.
- i. The USPTO should add more examiners more quickly and review every work product they generate in detail. The examiners supervisors need to be experienced examiners that teach the new examiners proper patent prosecution. A new examiner should be expected to take 2 to 3 years to develop their skills.
- j. The USPTO should hire private patent practitioners to consult and mentor patent examiners so that they become efficient and skilled (make better rejections and allowances) in patent law and patent prosecution.

Respectfully submitted,

Kevin Alan Wolff