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Sent: Friday, March 10, 2006 11:34 AM

To: AB93Comments

Cc: CARROL.BARNES@SBA.GOV

Subject: Comments on proposed rule changes limiting continuations and examined claims.

To: Commissioner for Patents

Cc: Small Business Administration

**Comments on proposed rule changes limiting continuations and examined claims.
Published at 71 Fed. Reg. 48 and 61**

Please note my opposition to the proposed rule changes limiting continuations and limiting the number of claims examined in patent applications.

These two rules in combination cripple the value of the U.S. patent system to small businesses. Complex inventions often need more than ten representative claims and more than one continuation to attempt to protect the underlying inventions. Market conditions may change after applications are originally filed. Small business in particular need the flexibility to respond to changing conditions by refining the claims in as many continuations as needed.

The justification for these rules is to reduce the backlog of pending cases. However, in my opinion these rules may actually increase the backlog. For example, under the current rules an Applicant may file a single parent case which over time could spawn a number of continuations and/or divisionals filed in view of the art and rejections present in the original parent case. However, under the new rules, since the number of continuations is limited, large companies will likely choose to file numerous parallel cases up front without the benefit of seeing the art and rejections present in an original parent case. Thus many additional new parallel cases may be filed which would never have been filed as continuations or divisionals under the current rules.

Unfortunately, small businesses will not be able to afford the fees to file many parallel cases up front and therefore will be significantly harmed by these proposed rules. Many of my small business clients need to spread out the costs associated with patent applications over many years. Multiple continuations allow small business to acquire good patent coverage over time. Limiting continuations will decrease the quality of patent protection for small businesses.

I recognize that the U.S. Patent Office has significant problems in dealing with its backlog of pending cases. I also believe that changes need to be made to deal with these problems. However, I am skeptical that the proposed rules will help.

There are, however, other changes that could help. Structurally, the Patent Office could open satellite offices in less expensive cities, with more housing opportunities for examiners, and with a larger supply of newly graduated and/or retired engineers and

scientists – cities like Akron, Ohio. The new electronic filing systems make this change possible today, whereas two years ago it would have been a logistical nightmare dealing with all the paper.

Many Federal Agencies have offices all over the country. Why might not the U.S. Patent Office, too, have multiple operating locations? Such offices would likely be able to retain examiners longer than the current average tenure in the Alexandria location. The retention of productive senior examiners is the key to a well running patent office.

Other changes might include the Office separating the prior art search from the examination, as is done in many foreign patent offices. For example, the rules could be changed to allow payment of the examination fee (and hence the examination) to be delayed up to 5 to 10 years after filing. Under such a rule, a significant number of filed applications may never need to be examined by the Office. Many Applicants, once they see the outcome of the prior art uncovered in a search, may choose to forgo paying the examination fee. Also, within 5 to 10 years after filing, the invention may turn out to be a commercial failure. Thus rather than putting more money into a failed idea, such applications could be abandoned without ever being examined.

Again, let me reiterate my opposition to the proposed rule changes. I believe the U.S. Patent Office can choose alternative solutions to reduce the backlog of pending cases without resorting to rules which arbitrarily limit continuations and the number of claims examined in an application.

Respectfully,

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