

From:
Sent: Monday, March 01, 2010 4:45 PM
To: patent_quality_comments
Subject: Patent Quality Comments

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MESSAGE:

Attn: Kenneth M. Schor
Pinchus M. Laufer

Please see the attached comments from Oliff & Berridge, plc.

<<QualityC.pdf>>

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March 1, 2010

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By Email

Attention: Kenneth M. Schor and Pinchus M. Laufer

Re: Request for Comments on Enhancement in the Quality of Patents

Dear Messrs. Schor and Laufer:

Oliff & Berridge PLC is a private intellectual property law firm that files and prosecutes several thousand patent applications per year on behalf of a wide range of applicants, including independent inventors, small businesses, universities and major U.S. and international corporations. As a Member of the firm, I am providing the following comments that represent the views of the firm as developed from interviewing a sampling of registered patent attorneys within the firm. However, these comments are not intended to represent the views of any specific client or clients of the firm.

First, we would like to commend the USPTO on its recent efforts to enhance quality and efficiency in its operations. While change is often difficult to all involved, it is clear that change is needed, and we are very pleased that the USPTO has again begun to move forward in a spirit of communication and cooperation with the applicant community to achieve necessary and appropriate changes that "promote the progress of science and useful arts."

Category 1 - Quality Measures

Comments Regarding Section IV.A. Measures

The implementation of in-process review (IPR) appears as if it could provide a major improvement. However, as discussed below in Category 2, it would be most useful if that review is accomplished before office actions are mailed, because changes of PTO positions as a result of such review are often disruptive to both applicants and the PTO.

The Quality Index Ranking (QIR) also appears to have the capability to make major improvements in targeted training, and preempts a number of suggestions we would otherwise have made. Another piece of data that could usefully be monitored in this program is the "allowance:final rejection" ratio to identify outlier individuals and populations.

Prior Art and Comprehensive Office Actions

More continuing Examiner training would be helpful. A number of Examiners still do not properly apply the law, especially the law relating to (a) §102(e), (b) the obviousness analysis under *KSR*, and (c) PCT unity of invention practice applicable to national phase applications. Section 102(e) and PCT issues in particular often lead to wasted office actions and responses, in which non-prior art references are applied and restriction practice instead of PCT unity practice is applied. Reliance on non-prior art references also seems to lead many examiners to curtail their searching, leading to reduced quality of the resulting patent if searching is not repeated, and/or increased pendency if the search process is repeated.

Reduced reliance on form paragraphs (which could be monitored by computer recognition of the ratio of form paragraphs to other language in office actions¹) would also be very useful. Examiners should be trained to be more forthcoming and succinct in office actions as to how claim terms are being interpreted and/or clearly identifying "easy" fixes; especially where a group has its "pet peeves." For example, we have received office actions with about 10 pages of form paragraphs where the claims were rejected for lack of written description support and enablement, and at the interview it was revealed that amending the claims from "and complementary sequences thereof" to "and full-length complementary sequences thereof" would overcome the rejections.

Issuance of restriction requirements, especially after the response to a first or subsequent office action directed to the merits of the restricted claims, should also be avoided to avoid increasing backlogs and pendency. Many restriction requirements artificially distinguish between alternative approaches to claiming the same underlying invention. For example, method claims and product or apparatus claims often do (or should) involve the same field of search and the same basic patentability issues, yet are restricted. While this appears to be incentivized by the count system, it drags out prosecution unnecessarily. A vehicle for consolidated examination of such claims could help reduce delays in examination, and thus backlogs. The European system of "inviting" the applicant to pay additional fees to have multiple restrictable inventions examined in a single application might provide such a vehicle that provides applicants with a way to reduce delays in grant of patents on their applications while simultaneously improving both backlogs and PTO revenues.

Comments Regarding Proper Use of Interviews

Many firms and corporations employ attorneys who are supervised by senior attorneys who are identified on a Power of Attorney, with the full understanding and consent of their

¹ For examiners who use "personal" or "group" form paragraphs rather than PTO approved ones, software such as anti-plagiarism software could be used to recognize repetitive uses of language in numerous office actions.

clients. Those supervised attorneys are often capable of conducting interviews alone after establishing a strategy for response with the senior attorney. Allowing them to conduct interviews under Rule 34 streamlines the process and reduces cost and delays to applicants, and should be encouraged rather than discouraged. However, contrary to the rules and MPEP instructions, many Examiners refuse to conduct Examiner Interviews, or even discuss applications, with attorneys that are not specifically listed on a Power of Attorney. Consistent training and/or ombudsman review as discussed below to eliminate such refusals would be helpful.

There needs to be more diligence in returning phone calls in the "one business day" that is advertised. We make multiple calls and then calls to a Supervisor that often require the Supervisor to contact the Examiner instructing the Examiner, in turn, to call us.

For interviews to be useful and decrease, rather than increase pendency, agreements and understandings reached at interviews should be better respected. Problems in this area often arise because a different supervisor reviews the next office action than the one that was at the interview. This could be corrected by requiring that the reviewer for the next office action after an interview be a person who was present at the interview. This could be monitored by computer review of identifiers on interview summaries and office actions.

Category 2 - Stages of Monitoring

We believe that the most effective monitoring would occur after drafting but before mailing of (1) a restriction requirement, (2) the first office action on the merits, (3) either a final rejection or notice of allowance, and (4) an Examiner's Answer in an appeal.

It is highly inefficient for the monitoring to occur after mailing of the above items. Applicants internally make decisions and take action promptly upon receipt of such items. When the monitoring occurs and the PTO changes course after such items have been mailed, this disrupts those internal decisions and actions, causing serious inefficiency and disrupting the applicants' faith in the PTO. In addition, when applicants have filed responses or fees in the PTO and then the PTO changes course (e.g., after allowance), there is considerable inefficiency within the PTO dealing with non-routine handling of the case, often for months or years to come (e.g., applying a previously paid issue fee much later in re-opened prosecution).

These points in time also allow the Examiner to fully consider and document a position before it is reviewed. Often, one's position will change between the time a position is adopted mentally and the time that position has been reduced to writing and reviewed by the author. Gaps in logic, facts, etc. become apparent in the written work product that may not have been apparent previously. Thus monitoring too early in the process may be inefficient and/or ineffective.

Monitoring after the examiner has reviewed applicant submissions also streamlines the monitoring process. The examiner will have to review the applicant submissions in any event. Thus the examiner's input in the draft office action can help the monitoring official's efforts by pointing up problem areas in the applicant submissions.

Category 3 - Pendency

Several of the above comments also apply to pendency reduction. Other pendency reduction measures are discussed below.

PTO processing of PCT national phase applications is very slow, and does not appear to be monitored at all. While a non-provisional application can have an Official Filing Receipt issued within one to two months, the same processing for PCT national phase applications can take eighteen to twenty-four months. This processing should be separately monitored and reported so that it can be improved.

Incentives to abandon PCT national phase applications in which applicants have lost interest should be established to eliminate the wasted time used in generating unnecessary office actions. There is a cost and finality of express abandonments that should be compensated to encourage abandonment and avoid the delays created by generation of unwanted and unneeded office actions. The refund provisions in non-provisional applications have been very effective in encouraging express abandonment of unwanted applications before preparation of a first office action among our firm's clients. However, we are aware of at least dozens of our firm's cases in which clients have lost interest in their pending PCT national phase applications, but will not expressly abandon them without some incentive.

Financial incentives are most likely to be effective, but acceleration incentives (e.g., a more recent application can take the place in line of an abandoned one) may also be effective. Making applications "special," as in the so-called "bump-and-dump" pilot program for small entities may be useful, but may overcrowd "special" dockets, making such status meaningless. Alternatively, pre-examination inquiry office actions, to which applicants need respond only if examination is desired, may help clear out no-longer-relevant applications.

More strict adherence to the guidance of MPEP 707.02 should be applied to stale cases. Any application pending for more than 5 years or up for a third action should always be reviewed by a SPE, as instructed.

Extended pendency and unnecessary RCEs can also be avoided by a return to more reasoned after-Final practice. Virtually any amendment, even for formalities or to enter the limitation of an allowable dependent claim into an independent claim, is now usually refused entry. An Advisory Action issues, which results in an RCE, only to have the application then

allowed after unnecessary delay, extending pendency and expense to the detriment of both applicants and the PTO.

Hypertechnical application of policy by the OIPE also creates delays and extended pendency. For example, the OIPE routinely refuses to accept declarations when the inventor corrected address information immediately adjacent his signature and date, but did not separately initial and date the address correction. This creates delay and unnecessary work when applicants have to petition the OIPE action, or go back to the inventor(s) for execution of a new declaration. Either situation can increase pendency of an application for months, for no apparent reason.

Improvements in the EFS filing system could also improve pendency and reduce costs to applicants and the PTO. The EFS system regularly goes out of service. This occurs most frequently in the late afternoon during the heaviest filing periods. For applications that have to be filed that day, this means converting back to a paper filing. Not only is this burdensome on applicants, but it eliminates the efficiencies and quality achieved by applicants inputting their own data electronically. Paper filings routinely lead to PTO contractor error in inputting data, which requires rounds of corrections that waste both applicants' and the PTO's resources. Applicants are more familiar with the information and have the stronger incentive to enter it correctly. Thus, the more that applicants can enter themselves through EFS, the better. Both improvement of the reliability of the system and expansion of the amount of data that can be entered by applicants would improve quality and reduce backlogs.

On the more administrative side, improved scanner quality for new applications - especially drawings - should be used to avoid Notices to File Corrected Applications Papers required due to scanning artifacts created by PTO scanners. These Notices unnecessarily increase applicants' costs, reduce PTO credibility, and generate unnecessary delays before examination can begin. There has been recent improvement, but it needs to be maintained - e.g., by dedicated high-quality and well-maintained scanners for new applications.

Category 4 - Pilot Programs

It would be helpful if there was some mechanism by which anomalous activities by PTO personnel (e.g., OIPE staff, Examiners, Primary Examiners, and SPEs) that adversely affect quality and/or pendency could be brought to PTO management attention for targeted training, without risk of negative consequences to the attorney or applicant in current and future patent applications. For example, we have had instances in 2009 where different Examiners have stated that "my SPE will not allow a case unless at least two RCEs have been filed" and "I [or my art unit] never allow applications." We have also had instances where the Primary Examiner has been wrong, the SPE agreed the Primary Examiner was wrong, but the SPE indicated he was powerless to do anything.

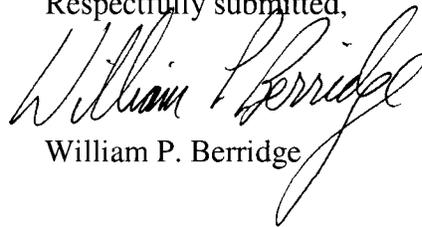
Similarly, it would be helpful if there was a more formal mechanism by which anomalous activities by practitioners could be brought to their attention and/or the attention of their firm's management for targeted training, without rising to the level of disciplinary measures. On occasion, senior examiners have called firm management to discuss, for example, unproductive approaches taken by practitioners at interviews. This is very helpful to the firm and applicants, but is very uncomfortable for the examiners and thus generally only used in extreme circumstances.

The proposed Patent Ombudsman program (and a counterpart available to examiners) might provide an answer to this problem if properly implemented. However, it would have to include very targeted identification of issues and targeted training of individuals as well as groups. It should also embody a way to monitor activities of potentially problematic individuals and groups to determine whether an issue might merely reflect an isolated incident or misstatement, or a standard practice. It should also in many cases divorce the inquiry from a specific identifiable patent application and thus attorney, inventor, assignee or examiner that might be adversely affected by a reaction to any targeted retraining or other consequences.

Category 5 - Customer Surveys

Customer surveys would be more likely to be used if they were tied to individual office actions. The responses need not be associated with a given office action or application, but the commentary is more likely to be accurate and focused if it addresses a single office action that is in front of the survey respondent.

Respectfully submitted,



William P. Berridge

WPB:hs