

**From:** Paul Morgan  
**Sent:** Monday, February 02, 2009 1:47 PM  
**To:** AC6/Comments  
**Subject:** PTO Requested Comments on Deferred Examination

This comment is limited to providing a copy of personal prior comments on some alleged disadvantages of deferred examination reported in the recent "Chamber of Commerce Report." [Which Report first presents effective *support* arguments for deferred examination].

{I would strongly support deferred examination, as long as the PTO would not encumber deferred examination rules with time consuming and near-suicidal requirements for acts or statements that would lead to more "inequitable conduct" allegations against issued patents, as in some other recent activities by the prior PTO management.}

Deferred examination will allow applicants to abandon patent applications on technology that has subsequently become obsolete, or proven commercially impracticable, or found unpatentable from prior art in foreign equivalent applications or otherwise, BEFORE the applicants and the PTO have wasted valuable resources on examination and prosecution of such applications.

The question that objectors should ask is what *alternative* practical changes could the PTO make that could significantly reduce the present intolerable backlogs of unexamined applications in important new technologies, as this could?

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Here are my specific issues with some of the wording in the second "bullet" part [copied below] of the "Disadvantages of Deferred Examination" section of the "Chamber of Commerce" draft report.

While the first "bullet" part of the "Drawbacks of Deferred Examination" [also copied below] seems fine to me, the second "bullet" section contains, in my view, some peculiar arguments that I do not understand or agree with. For example "parties who have already invested in new products may be more willing to litigate." Why would that be true if the patent was not even issued yet, and its issuances could be opposed by citations of prior art, etc? Furthermore which "parties who have already invested in new products" is meant here? patent owners, or potential defendants?

I strongly disagree with wording of the further statement here that "Deferred examination actually could result in more trivial filings, because applicants who planned to defer examination would have less incentive to invest in careful preparation of the application and a pre-filing search of the prior art." This would falsely suggest that a valid priority date for good patent claims can be obtained by an inadequate filing, presumably by adding "new matter" to the "trivial" original application at some time later during the application deferment? That is not true anywhere, not even in the unique [and non-statutory] U.S. CIP system.

Worse, this wording *confuses the real problem*, which is *the absence of "intervening rights" protection or PTO laches enforcement* against applicants like Lemelson who have been allowed [by total absence of PTO docket control and examiner supervision] to keep applications pending for many, many, years by multiple continuations, divisionals and CIPs [adding new matter], in order to obtain allowance of "generic" claims written many years later to cover much later inventions and products of others.

The statement that "deferred examination actually could result in more trivial filings" is the same misleading argument that was used against the adoption of provisional applications. "Trivial" applications of any kind are a leading source of losing interferences and other patent litigation by *losing* original application priority date benefits for the claims, along with the near-myth that "first to invent" will be likely to overcome being "second to file" as a false rationale for delaying filing patent applications. Furthermore, If a party only really wants *defensive* protection, a publication of any kind is far faster and cheaper than a "trivial" patent application.

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[Copied from the Draft "Chamber of Commerce Report"]:

"Drawbacks of Deferred Examination:

- In a deferred system the legal boundaries of the patent monopoly are not defined for the public for several years. A major drawback is that deferral of examination would create additional uncertainty in the marketplace, although the ability to file RCEs and continuations already

provides that option. Competitors would face longer periods of time before they could determine whether they could safely market new products. It might be unfair to shift to competitors, as some deferred examination systems do, the burden to pay for and initiate an examination proceeding for someone else's pending patent application and competitors often are reluctant to make known their interest in someone else's patent applications.

- Deferred examination could lead to more patent litigation, because parties who have already invested in new products may be more willing to litigate. There is no evidence that deferred examination has improved patent quality in other countries. Deferred examination actually could result in more trivial filings, because applicants who planned to defer examination would have less incentive to invest in careful preparation of the application and a pre-filing search of the prior art. This increase could possibly offset the expected drop out rate that other countries experience."

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[N.B. I am not responding here to some other, clearly impractical, deferred examination suggestions by prior PTO management [hopefully now dropped] such as letting *provisional or otherwise incomplete* applications without searchable claims sit unpublished and unexamined for long time periods.]

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