

From: Thompson, Annette

Sent: Friday, February 01, 2013 2:33 PM

To: RCE outreach

Subject: Response and Suggestions on Reducing the RCE backlog

Good day,

Please note the attached for your consideration.

Regards,

Annette M. Thompson

MISSION POSSIBLE: REDUCE RCE BACKLOG

The problem statement of the RCE outreach states that [t]he USPTO currently has a backlog of over 90,000 patent application that have not been examined since the filing of a Request for Continued Examination (RCE) and that this backlog diverts resources away from the examination of new applications.

First there was a burgeoning backlog of initial filings of patent applications and the USPTO launched the Clearing the Oldest Patent Applications (COPA) mission. Now there is a burgeoning backlog of Request for Continued Examination (RCE) applications and the agency has created another mission: REDUCE THE RCE BACKLOG.

It would seem as if the goal of reducing pendency among one group of applications, *to wit*, the initial filings of non-provisional applications has resulted in increasing the pendency among RCE applications. However, unlike the backlog of initial patent application filings, the burgeoning backlog of RCE applications is a wound that the PTO inflicted on itself. The backlog of RCEs is the outgrowth of policies that were instituted with the aim of reducing, if not completely eliminating, the use of RCEs by the IP practitioner community. The underlying premise of these policies is that RCEs are, in a word, an evil that must be exorcised or somehow eliminated from the prosecution process. It is this faulty premise that has spawned the glut of RCE applications that exist and even now remain in prosecution limbo. Changing this premise and the prism through which an RCE filing is now viewed would enable the crafting of innovative and reasonable solutions and/or additional initiatives to ameliorate the existing problem.

I. RCEs ARE A NECESSARY PART OF THE CURRENT EXAMINATION PROCESS

RCEs (and the precursor Continued Prosecution Application (CPA)) are a necessary part of the current examination process. The RCE, like the CPA, is necessary because of the inherent nature of the examination process wherein the applicant stakeholder only gets 2 bites at the proverbial apple of allowance. The first bite is the set of claims submitted in the original filing of the application. The second bite consists of the claim amendments responsive to the non-final office action from the office. Then, prosecution closes and an allowance or a final action ensues. Current examination practice allows a final action and the closing of prosecution if the amendment of an applicant necessitates a change of the grounds of rejection, or an Information Disclosure Statement (IDS) is filed and a reference cited on the IDS is applied in an action subsequent to a non-final action by the examiner.

Sometimes it is simply not possible to wrap up or conclude prosecution by placing an application in condition for allowance within two or three actions or responses: One

contributory factor MAY the complexity of the art. For example, computer and software related are renowned for requiring more time and skill, both technical and legal over the course of examination on both the part of the practitioner and the examiner. Another contributory factor may be significant changes in claim scope through claim amendments submitted subsequent to a non-final action from the PTO.

Still another contributory factor may be an initial claim filing which is done without an understanding of what exists in the prior art. Applicants do not always pay practitioners to do prior art searches before filing or revise an application from a foreign country to conform to standard US practice and language. Hence, for these and other reasons, one or two office action responses will often not be sufficient, especially in the complex computer and software related arts to place an application in condition for allowance.

An additional contributory factor may be the financial incentive of a practitioner/applicant to continue prosecution of an application. For example, the filing of an RCE and a response may be more financially palatable for a client and a practitioner since the client may pay for that service, whether as a flat fee or a bill-by-hour basis, rather than for a protracted interview with an examiner that may still not result in an allowable application and may still require an RCE filing. Some clients of a practitioner may not even pay for an interview with an examiner.

II. RCEs SHOULD BE PROCESSED AS AMENDED APPLICATIONS, NOT NEW APPLICATIONS

An outgrowth of the “RCEs are evil” mentality of the Office is the redefinition and reclassification of the RCE as a new application *instead of* an amended application. Each RCE filing is placed on an examination docket referenced as “Continuing New” that may already contain continuation applications and then all applications on this Continuation New docket are ranked in order of effective filing date, the ranking being redone every two weeks and including any additional RCEs and continuation applications to the pre-existing pool of applications on the Continuation New docket. At least one application with the oldest effective filing date on this docket is required to be processed from this Continuing New Docket within a minimum of 28 days with 56 days being the maximum time for processing a single application from this docket. So, worst case scenario would result in one RCE filing or continuation filing, whichever has the oldest effective filing date, being processed every two months. Contrast this Continuing New Docket with an Amended Docket wherein the applications are processed in order of response-to-office-action filing and *several* amendments may require processing within a 56 day timeframe.

This reclassification of the RCE application has instituted a predictable bottleneck in the processing of these applications that hampers rather than facilitates the processing and completion of prosecution of these amended applications

III. THE EXISTING PROGRAMS ARE HELPFUL IN REDUCING THE NUMBER OF RCEs

It is indeed noteworthy, if not laudatory, that the PTO is already trying to address the perceived RCE problem through various initiatives. For example, the PTO has instituted the *After-Final Consideration Pilot (AFCP)* with emphasis on interviews during which negotiations can occur over claim amendments and any other application formalities or informalities in a last ditch attempt to close the gap on allowable subject matter. Another program is the *Quick Path Information Disclosure Statement (QPIDS)* which eliminates the perfunctory need for filing an RCE after allowance in order for consideration of an Information Disclosure Statement (IDS) after payment of an issue fee. Yet another existing program is the First Action Interview Pilot program which allows a first action interview including negotiation of claim scope *prior to* a first Office action on the merits.

The *AFCP* provides a practitioner and examiner with up to up to three hours, as necessary, of continued negotiation time with a practitioner after the close of prosecution to pursue the possibility of closing the gap between rejection and allowability and gleaning allowable subject matter. This is a helpful program even though it does not eliminate the need for filing an RCE in some cases.

The first action interview pilot program is promising because it provides a practitioner and examiner constructive negotiation time prior to a first office action on the merits. Although, the first action interview pilot program may be helpful to the overall prosecution process in some technologies, many applicants, especially in the complex arts do not want to pay for a practitioner to perform a prior art search or conduct interviews prior to an official first office action on the merits. The prior art searches may not be deemed as cost-effective or efficient. Further, some Applicants and practitioners would rather focus on filing applications as possible and filling the PTO pipeline with as many new applications as possible and then fine tune the claims during the course of examination, even if it requires the filing of an RCE.

Accordingly, placing the equivalent of a dam in the RCE process by enabling the possible processing of one RCE every 56 days, merely clogs up the PTO application pipeline, stymies the continual and effective processing of application and resolves little or nothing with respect to pendency. Certainly, it is not having a significant impact on eliminating RCE filing, hence the backlog.

Negotiation type interviews on the front end of the examination process, as supported by the first action interview pilot program and negotiation type interviews on the back end of the examination process, as supported by the *After-Final Consideration Pilot*(AFCP) are significant tools in smoothing out the examination process. But, there is no silver bullet that will effectively kill the need for RCEs, nor should one be created. Again, RCEs are not evil. But, there are a necessary part and outgrowth of the examination process that indeed may require tweaking.

IV. ADDITIONAL CONCRETE STEPS THAT MAY BE IMPLEMENTED TO INCREASE EFFICIENCY OF THE PROSECUTION PROCESS AND DECREASE THE NEED FOR RCEs

1. *Change the Status of an RCE filing from A Continuation New Application and Process an RCE Filing As An Amended Application*

First, it should be abundantly clear that reclassifying the RCE as a “new” application and diverting emphasis or priority from their examination creates more of a problem that it solves. So, I would first advocate for reclassifying the RCE back to their original and proper status of the RCE as an amended application. Second, the RCE as an amended application should be placed on the amended docket to be taken up for reconsideration within two months like any existing amended applications. Because of the existing large backlog that has been created, there may now be a need to either create a special amended tab for RCEs and rank and commence processing of a determined number of the RCEs in a particular timeframe. For example, starting with the RCE with the earliest filing date at least one RCE could be slated for processing every 14 days or perhaps two RCEs every 28 days. This newly created RCE docket would be separate and apart from the continuation application filing. After the backlog of RCE is substantially reduced, the practice of placing RCE on the Amended application filing docket could re-commence.

2. *Increase discussions/negotiation time between the Examiner and practitioner by a Formal Interview After Non-Final Action Process Program*

Include or build into the examination process a formal interview process that may be used ***in the course of examination***, *i.e. Interview After non-final action*, similar to the AFCP. This would be a **2-3 hour** interview after a non-final action that may be utilized by the examiner and practitioner to review and work out additional amendments to the application that could possibly result in the application being placed in condition for allowance. Currently, about one hour of time is allowed for interviews before close of prosecution. With the option of a negotiation type interview on the front-end of the examination process, a process for a negotiation-type interview at the close of prosecution, ***and*** an option for a negotiation type

interview *after a* non-final office action, the possibility of placing an application in condition for allowance dramatically increases. Despite all these discussions and negotiation, the need to file RCE will likely still exist and when an RCE is filed, the filing should be part of an amended docket that will enable efficient and timely processing.

V. CHANGE THE PREMISE: RCEs ARE NOT EVIL

The current USPTO practice that treats the RCE as an unwanted or evil stepchild and penalizing the use of this practice created the backlog. The problem is not the existence of the RCE *per se*. Rather, the roots of the problem in the structure that the PTO has instituted to handle the RCE processing.

The message being sent to the IP community seems to be: Do not file RCEs. And, if you file an RCE, you may have to wait longer for completion of prosecution (this is technology and examiner dependent) or pay an increased fee through the Track 1 program to complete processing of the amended application.

But, rather than trying to penalize the process which creates inefficiencies in the entire patent prosecution process by spawning this increasingly intractable backlog of RCE amended application, the PTO really needs to change the premise that the RCE is evil and adopt methods to increase the efficient processing of *all* applications in the prosecution pipeline. This would mark an important step to eliminating the existing RCE backlog.