

From: Wook Pak [email redacted]
Sent: Wednesday, May 20, 2015 12:35 PM
To: WorldClassPatentQuality
Cc: Kaelie Sylvester
Subject: RE: Request for Comments on Enhancing Patent Quality

Dear Mr. Cygan,

I previously submitted comments regarding enhancing patent quality on May 15, 2015. I would like to update the authorship by adding Mark D. Nielsen if it is not too late.

For your convenience I have attached the same paper with only the authors and the related footnote revised.

Sincerely,

C. Wook Pak, Esq.
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From: Wook Pak
Sent: Friday, May 15, 2015 9:51 AM
To: 'WorldClassPatentQuality[at]uspto.gov'
Subject: Request for Comments on Enhancing Patent Quality

Dear Mr. Cygan,

I understand the deadline to ensure consideration of the attached comments was May 6, 2015; however, I hope you will still consider the attached proposal.

Sincerely,

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IMPROVING THE COMPACT PROSECUTION MODEL THROUGH A COUNT DEDUCTION SYSTEM

by

C. Wook Pak and Mark D. Nielsen¹

Issue:

Pillar 3-Proposal 5: Review of the current compact prosecution model and the effect on quality.

Background:

The compact prosecution model (achieving final disposition in the fewest number of office actions) is an excellent model that should improve the efficiency for examiners, and the cost-effectiveness for applicants. High numbers of pending applications are not beneficial for the examiner or the applicant. For the examiner, his or her case load continues to rise and become unwieldy. For the applicant, business decision-making and the ability to stop a potential infringer is delayed. Thus, in theory, the compact prosecution model is a good concept.

In practice, however, implementation of the compact prosecution model has not sufficiently occurred due to a lack of incentives. One reason that implementation of the compact prosecution model has been inadequate is that examiners, desiring to dispose of an application quickly, tend to give unreasonably broad interpretations to the claim terms in order to allow them to quickly find a reference within (or even outside) the technical field that can serve as a basis for a rejection.

Examiners are instructed to give claims their broadest **reasonable** interpretation pursuant to MPEP section 2111; however, for the interpretation to be **reasonable**, claim terms must be interpreted in light of the specification. From our experience, it appears that the examiners may be ignoring the specification and using the broadest **possible** interpretation of claim language so as to encompass more prior art.

This misguided interpretive process results in the applicant having to further narrow the claim terms in response to a first, non-final office action, and thereafter, even with an interview, the examiner often conducts a further search and locates prior art that resembles the invention even more closely than the reference cited in a first, non-final office action. The examiner then issues a **final** rejection on the basis that the amendments necessitated the new search. To proceed, the applicant now has to file a Request for Continued Examination (RCE) with additional fees and protracted delay in continued examination for the examiner to continue examining the application.

¹ C. Wook Pak and Mark D. Nielsen are attorneys at Cisló & Thomas. This proposal reflects the views of the authors only and not that of Cisló & Thomas.

This is a hugely problematic issue for applicants because the inadequate first search resulted in a narrowing of the claims, and that is then further confounded by a second search that requires additional claim amendments. In other words, the examiner's first inadequate search requires certain claim amendments that are then used to justify a second search, which often requires additional claim amendments and an RCE filing. This greatly increases prosecution costs for the applicant, keeps pending applications on the examiners' docket, and delays allowance.

This last step (i.e., the filing of an RCE), however, can be avoided if the examiners are incentivized to adhere to MPEP 904, which states that “[t]he first search should cover the invention as **described** and claimed...” (Emphasis added.) In other words, the first search should cover the specification and the claims.

Furthermore, the examiner should be incentivized to adhere to MPEP 904.03, which states that “[i]t is normally not enough that references be selected to meet only the terms of the claims alone, especially if only broad claims are presented; but the search should, insofar as possible, also **cover all subject matter which the examiner reasonably anticipates might be incorporated into applicant's amendment.**” (Emphasis added.)

The latter clause is often what is missing from the First Action on the Merits (FAOM). If the examiner adheres to section 904.03, an applicant is in a better position to determine whether or not to continue pursuing the application, as well as determining appropriate amendments to overcome the rejections. Interviews will also be more fruitful, and applicants less frustrated.

To truly implement a compact prosecution model, the examiner should be incentivized to uncover the best prior art reference(s) available in the FAOM to allow the applicant to assess whether or not the invention is worth pursuing, and to determine what amendments, if any, are truly needed. The FAOM should be so complete that a second search would not be necessary based on any amendments. In other words, if the invention is unpatentable, then the FAOM should demonstrate as much, not the second or any subsequent office action.

If the examiner is having difficulty understanding the application, then the examiner should initiate a phone call to the applicant to determine what the invention is, what the various terminologies are intended to mean, and what potential amendments might be made.

Solution:

One way to implement the compact prosecution model is to change the count system. The current count system is an improvement over the original count system in that it serves as a disincentive for RCEs by giving RCEs progressively lower counts. Unfortunately, the current count system still does not incentivize examiners to conduct the best search in advance of the FAOM. Under the current model, the examiner can receive a maximum of 2 counts on an original case that does not have an RCE. This is accomplished by issuing a FAOM (1.25

counts), issuing a final office action (Final) (0.25 count), then issuing an allowance or an abandonment (0.5 count).

Under this system, it appears the examiners are incentivized to issue a Final prior to an allowance. In fact, based on this system, it is conceivable, that an examiner may conduct an inadequate search, knowing that after a response to the FAOM, a second search can be done, and a Final issued, so that the examiner receives the extra 0.25 count. Such an approach is inefficient.

For example, interpreting the claims in an unreasonably broad manner, the examiner may find any related art quickly and apply such art to the mischaracterized claims so as to issue the FAOM quickly. Then, after forcing the applicant to make amendments, amendments that the examiners could have or should have been anticipated, the examiner conducts a much more thorough second search and uncovers prior art that appears to be more applicable. Now, the applicant is placed in a position to abandon the application, or file an RCE with added costs and time. In the meanwhile, the examiner receives another 0.25 count.

To incentivize examiners to conduct the best search for the FAOM, the Patent Office should implement a count *deduction* system where the examiner starts with the maximum count, but loses counts with each “unreasonable” action on the merits. Therefore, the fewest actions leading to final disposition receives the greatest number of counts. For example, an examiner should receive 2 counts for the FAOM. Ideally, the examiner should have conducted the most thorough search and found the best prior art in the first search. The best prior art should also anticipate (in the sense of forecast) the potential claim amendments so that minor amendments are not sufficient to remove the best reference uncovered as prior art.

Now, having reviewed the best prior art, the applicant must carefully weigh his chances of overcoming the reference on the FOAM. The applicant can then make his best arguments and/or claim amendments for consideration.

If the amendments and arguments are persuasive, and the examiner uncovers no further art as a basis for rejection (since the best art was uncovered in the first search), then the examiner issues a Notice of Allowance (Allowance) and keeps the 2 counts. If the amendments and arguments are not persuasive, then the examiner issues a Final and keeps the 2 counts.

If the examiner’s first search was hasty, and a second search uncovers prior art (that should have been uncovered in the original search) as the basis for rejection, then the examiner issues a Second Action on the Merits (SAOM), and 0.5 count is deducted for this application leaving the examiner with only a maximum of 1.5 counts. This will discourage the examiner from conducting a hasty initial search just to uncover enough art that reads on an unreasonably broad interpretation of the claims. Under this approach described herein, the examiner will be incentivized to consider the true scope of the claims based on the specification and the claims, conduct a proper search as outlined in MPEP 904.03, and provide the best art in the FAOM. In

addition, the applicant is not penalized by ultimately having to file an RCE due to a hasty first search conducted by the examiner.

If the applicant files arguments and/or amendments in response to the SAOM that are not persuasive based on the art of record, then the examiner issues a Final and no further counts are deducted, and the Applicant must decide whether to file an RCE. If the amendments and/or arguments to the SAOM are persuasive and no further references are uncovered, then the examiner issues an Allowance and no further counts are deducted.

If, on the other hand, the examiner uncovers another prior art reference that could have been anticipated based on the specification, then the examiner issues a Third Action on the Merits (TAOM), and another 0.5 count is deducted (now down to a maximum of 1 count for this application) to penalize the examiner for not conducting a more thorough search the first and second times around. The applicant, however, is again not penalized (via having to file an RCE) for the examiner's failure to conduct the best possible search earlier in the prosecution of the application.

If after a Final, the applicant files an RCE, the same count system as an original application would apply, except that the examiner would begin with 1.5 points instead of 2 so as to discourage funneling applications into RCE practice.

The foregoing sets forth that examiners always start off with the highest number of counts when first examining an application and only risk losing counts in the future for hasty or inadequate examinations. To avoid the uncertainty of whether or not counts will be lost in the future, examiners are incentivized to do the best job they can on the FAOM on the original filing.

As a further incentive to the examiner, to understand the invention thoroughly and completely before conducting a search, the examiner can receive an additional 0.25 count for initiating an interview with the applicant prior to any action on the merits to discuss the full scope of the invention so that the examiner can conduct the best search possible, anticipating any potential amendments consistent with MPEP 904.03 prior to issuing the FAOM. This option would only be available for an original application and not an RCE.

The specific count deductions presented above are merely for example purposes only to clarify the concept of a count deduction system. It is presumed that the Commissioner can determine the proper deductions to make this system work.

It is understandable that, in some circumstances, the examiner may not be able to anticipate what limitations may be incorporated into the applicant's amendment. To that effect, the applicant should be incentivized to always present the most detailed and narrow claim with which the applicant is willing to proceed. A supplement to these rules would require the applicant to provide a picture claim for each independent claim set. The picture claim would be the most detailed recitation of an embodiment of the invention. Therefore, if an examiner finds

prior art that anticipates or renders obvious the picture claim, then the respective independent claim and dependent claims thereof would necessarily be anticipated and/or rendered obvious through inherency.

One problem with the picture claim for the applicant is that the applicant is limited in the number of independent claims and total number of claims for the base filing fee. As such, the applicant would rather use the independent claims to vary the claim scope. Therefore, a separate section in the written description could be designated so that the examiner can have the best understanding of what the claimed invention could possibly entail, and the applicant does not waste any independent claims.

Therefore, before examination begins, the examiner is given the entire scope of an invention for which the examiner needs to examine; thereby allowing the examiner to conduct the best search to uncover the most relevant art on the FAOM.