

**From:** Kevin Klughart

**Sent:** Thursday, November 03, 2016 9:05 AM

**To:** External Examination Time Study <ExternalExaminationTimeStudy@USPTO.GOV>

**Subject:** Request for Comments on Examination Time Goals

Dear Sir:

With respect to your request for comment on examination time goals:

The current problems with existing time performance of the application process within the PTO can be roughly categorized into three areas:

- Personnel
- Procedural
- Management
- Systemic

I will address these three areas separately.

## PERSONNEL

The examination corps at the PTO is in many cases not technically qualified to review the technical patent applications that are submitted to the PTO. I have had many examiners which must be "trained" on the technology in which they are performing examination. This situation invariably increases prosecution time by at least one office action per patent application, and often more. All of these costs are past on to the PTO customer base. I've wondered why this is the case for many years but have come to several conclusions regarding this issue.

First, you must PAY these people more. Their pay scale is not commensurate with pay scales in industry and as a result you in many cases only get candidates that no one else wants. You can't expect an examiner to understand technology in an area he/she wouldn't be qualified to actually gain employment in the real world. If I wouldn't hire them, what makes you think they are good enough to evaluate technology in a particular art area? By the way, simply having a BS in engineering or science doesn't meet this standard. From looking at the pay scales at the PTO, it is apparent that your pay infrastructure has the same problem that our educational system embraces: the disparity between examiners and their managers is too high at the PTO. In other words, you need to pay the examiners MORE and their managers LESS.

Second, you must require industry experience and/or advanced degrees in the examination corps. The standard baseline for many industrial jobs in electrical engineering and other technical fields is a master's degree or better with some industrial experience. Examiners who have never worked in industry and/or lack advanced education are ill equipped to technically comprehend much of the application base that now enters the PTO. This situation will only get worse with time and evolving technology levels in industry.

Third, you must weed out the bad eggs in the examination corps, and I mean specifically the individuals that game your performance points system at the expense of your customer base. I discuss this further at the end of this e-mail. You MUST also remove the technically incompetent personnel from the examination corps. This includes those that can't speak English or have dialects that are unintelligible to those speaking American English. I've had cases with inventors on telephone calls with examiners in which the SPE was required to be present because the English skills of the examiner were so bad no one in the room could understand him. This is totally unacceptable.

Finally, OED within the PTO exists to regulate patent practitioners and provide a mechanism to report abuse/incompetence/etc. Where is the corresponding division that permits the customer stakeholders to report incompetent examiners? My requests to SPEs to have examiners replaced for technical incompetence fall on deaf ears. We need a method of holding the examiners accountable for their actions. Currently there is no such avenue available at the PTO. As a result, I have had clients curtail their patent applications because they know the applications will be examined by an incompetent examiner. While the applications are EVENTUALLY allowed, they cost twice what they would in the hands of a competent examiner.

## PROCEDURAL

Several procedural changes to examination should take place.

First, RESTRICTION REQUIREMENTS should be done ONLY by phone and give the examiner no points/time for generating a written office action.

This is time-wasting procedural hurdle that examiners abuse in several ways. In most cases the search required for the divisional applications is identical to that of the baseline application claims, allowing the examiner to get examination points for essentially doing no work on the examination. Invariably, the same application in divisional form goes back to the same examiner for review. All of this is a waste of time.

What should happen is that ONE search should be done on the application claims and if additional fees are necessary to move the divisionals to allowance these fees can be paid, but the examiners should get MINIMAL credit for reviewing divisional claims. Specifically, SYSTEM/METHOD/BEAUREGARD claim sets should be examined together, since the subject matter of the invention is identical between these. The examiner should not get multiple performance points for reviewing the SAME application THREE times.

Second, examiners should not be allowed points for AFCP paperwork that claims "a new search is required" when claims have been narrowed as part of the AFCP process. If a proper search has been done in the first place, then all of the pertinent art should be known by the examiner. Incorporating additional elements that further limit the claim should not result in more than 1 hour of additional time to confirm that the claim as amended includes elements not present in the ALREADY PERFORMED SEARCH. Invariably, the examiner rejects the AFCP request and as a result a RCE is required. Magically, the same claim set presented in the AFCP if re-presented in a RCE is granted allowance. Patent practitioners recognize that the examiner is only using the AFCP rejection as a means to gain additional performance points with the RCE. A total waste of time and money for the client.

Third, examiners should communicate when possible with patent practitioners using e-mail and examiner-amendments. Many informalities in the application/claims can be corrected in this manner. However, there is a portion of the examination corps that refuses to streamline the process and forces everything into the Office Action pipeline which increases overall application examination time and drives costs up for the client.

Fourth, examiners who provide pro-forma rejections based on word-search matching of terms should be given no credit for applications that overcome these rejections based on a clear reading of the cited art. Too much of the time examiners game the system by cherry-picking terms from unrelated art and then combine these for 103 rejections in order to make their performance quota. This abuse must be addressed and corrected.

## MANAGEMENT

While the PTO has instituted a formalized performance review system for the examiners, the result of this is overall poorer performance and increased costs for clients.

Patent practitioners are well aware that much of the examination corps abuses formal office actions, restriction requirements, AFCP denials, RCEs, and other avenues within this system to drag out the process and drastically increase the end-user cost of the patent application process.

The PTO must reign in this abuse. This is the low hanging fruit that can drastically improve the overall time to application disposition. You can implement a maze of new procedures and programs in an attempt to improve the application examination process, but unless you fully address the corruption of the points performance system by the examiners you will not achieve your stated goal of improved performance.

One step in this process should be a feedback system implemented on every application that allows anonymous feedback on the examiner/SPE performance. I wonder how it would be received by the PTO review team on the other side of this process to find out that some examiner-generated office actions I have received contain technical content from ANOTHER NON-RELATED PATENT APPLICATION BY ANOTHER INVENTOR? Events such as this have happened and only serve to solidify my impression that the examination corps, while containing some good examiners, is also rife with bad apples that need removal/replacement. However, the current system provides no customer feedback on which these actions can be taken. YOU CAN'T IMPROVE WHAT YOU DON'T MEASURE. And by the way, self-measurement as is currently done by the PTO is nothing more than an echo-chamber. Direct customer input into this process AT THE EXAMINER LEVEL is required.

I can't be complete in my response to your comments without mentioning the complete failure of the PTO telecommuting policies as applied to examiners. I've had numerous situations where the examiner is distracted by screaming children or other non-business related events that are both totally unprofessional but also leave me with the impression that not much work is getting done at home. Couple this with the fact that the home-based examiners seem to be impossible to reach by phone and I am left with the impression that the PTO can't properly manage this type of working arrangement. I realize that the PTO has the reputation as a result of this policy as a "great place to work" but this doesn't translate into the level of professional performance that is deserved by your customer base. You might take note of the telecommuting policy changes at Yahoo in recent years that were implemented to curb this type of abuse and low performance.

## SYSTEMIC

Years ago the PTO implemented "electronic" filing of patent applications. While this has improved the PHYSICAL efficiency of file management, it has failed to address any issues relating to LOGICAL efficiency of application examination or provide a substantive improvement in overall patent application examination.

What is desperately needed is a Windows-based application designed specifically to accelerate the patent application preparation and examination process. This software tool should allow integration of text and graphics to allow automated searching by examiners when the application is submitted to the PTO. Much of the manual labor at the PTO examination corps could be automated using this process.

Given that the PTO has never been on the cutting edge of technology, this suggestion is at this point a mere dream. But it is possible and should be a stated end-goal for the organization.

## SUMMARY

The current structure of the PTO must change in order to improve performance. This change must start with recognizing that the PTO and its personnel exist to server the customer, not the other way

around. Changes in policy must be accompanied by rooting out the incentives and personnel that are adverse to the PTO customer.

Regards,

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