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From: Michael Ritter (micritte) [mailto:micritte@cisco.com]

Sent: Thursday, May 04, 2006 2:55 AM

To: AB93Comments; Clarke, Robert

Subject: Comments-Patents

Attached are the comments from Cisco Systems, Inc.

Respectfully submitted,

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May 3, 2006

VIA EMAIL

Mr. Jon W. Dudas
Under Secretary of Commerce for Intellectual Property and Director of the United States
Patent and Trademark Office
Mail Stop Comments-Patents
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Re: Comments on Proposed Changes to Practice for Continuing Applications,
Requests for Continued Examination Practice, and Applications Containing
Patentably Indistinct Claims

Dear Under Secretary Dudas:

Cisco Systems, Inc. was founded in 1984 by a small group of computer scientists from Stanford University. Since the company's inception, Cisco engineers have been leaders in the development of Internet Protocol (IP)-based networking technologies. This tradition of IP innovation continues with industry-leading products in the core areas of routing and switching, as well as advanced technologies in areas such as home networking, optical, storage networking, IP telephony, network security, and wireless local area networks. Today, Cisco is the worldwide leader in networking for the Internet and our IP-based networking solutions are an essential part of business, education, government, and home communications.

We applaud the PTO in its attempt to make the Office more efficient, promote innovation and improve the quality of issued patents. In general, we support the proposed rule changes relating to claims and continuation practice. It is hoped the following comments will provide a good basis for the improvement of these proposals. The following will address two specific sections of the proposed rule changes.

Section 1.78(d)(1)(iv)

Section 1.78(d)(1)(iv) allows a continuing application only upon a "showing to the satisfaction of the Director that the amendment, argument, or evidence could not have been submitted during the prosecution of the prior-filed application" (see also section 1.114(f) that recites substantially the same standard for requests for continued examination (RCEs)). The success of these changes to continuation practice lies with the

enforcement of this standard. However, there is very little guidance in the rules as to what will satisfy the Director. This can lead to uncertainty and inconsistent application of the rules.

For example, after paying an issue fee, can the patentee do a quick search for new art and explain that the subsequently filed continuation application is proper because the art could not have been considered in prior-filed applications as it was just found? Will the Director grant an RCE based on newly found art given that the standard is the same? Would a recently received foreign search report be treated differently than art found by the patentee in either situation?

The issue of newly found art highlights the potential confusion in having a single standard for both continuations and RCEs, as such art should not justify a continuation but may justify an RCE. It would be beneficial if the Office identified specifically the permissible justifications for continuations in section 1.78(d)(1)(iv), and separately the permissible justifications for RCEs in section 1.114(f). Without such certainty, it is unclear whether the proposed rules will improve the continuation practice or simply create more hurdles for practitioners and more work for the Office. As an example, although we have heard that a statement that the newly presented claims in a continuation could not have been submitted earlier because it was just determined that the prior claims did not effectively protect the invention would not satisfy the Director for filing the continuation, the proposed rules do not clearly reflect this position.

Furthermore, with regard to this section, what appears to be a major concern to the Office is the filing of new claims in continuing applications. However, "new claims" are not specifically called out in section 1.78(d)(1)(iv). It has now become common practice to file continuations with a set of new claims (i.e., without a preliminary amendment). In such case, the new claims in these continuing applications are not presented by amendment, argument or evidence. Thus, we suggest that this section be amended to read that it is required that the "new claims, amendment, argument, or evidence" could not have been submitted earlier.

Section 1.78(d)(1)(ii)

Section 1.78(d)(1)(ii) defines a divisional application as having claims directed to a non-elected invention that was the subject of a restriction requirement in a prior-filed application. However, the current restriction requirement practice of the Office provides a potential loophole that may be exploited to circumvent these rules changes.

Restriction requirements are routinely issued by Examiners when there are many independent claims in an application. The rationale given by Examiners typically

consists of simply an assertion that the multiple "inventions" are independent and an indication of the different classes that would need to be searched (see MPEP 802). Although this practice is intended to prevent undue burden on the Examiners, it provides patentees with a simple mechanism to pursue multiple continuing applications (in the form of divisionals) sequentially over many years, which is something we believe these proposals seek to prevent. Although the proposed new rules require that divisional applications claim priority to a single prior-filed application, patentees may attempt to extend the pendency of the parent application through appeals to the Board by, for instance, submitting newly found art in support of RCEs, and the like.

Furthermore, the divisional applications that are filed will include new claims, further increasing the number of claims the Examiners have to review. In theory, section 1.78(d)(1)(ii) requires that the new claims be directed to the same non-elected "invention." In practice, the restriction requirement provides very little guidance as to what constitutes the non-elected invention. For example, Examiners routinely give restriction requirements that assert that method, system and media claims are independent and distinct inventions because they require different searches as evidenced by their different classifications (even though the limitations in the claims are substantially identical). This provides little direction regarding what new claims can be added to a divisional application, and therefore, new claims of varying scope in divisional applications are commonplace.

One solution that would mitigate the problem would be to amend section 1.78(d)(1)(ii) to define a divisional application as an application that only includes claims that were not elected for examination in the prior-filed application. This would at least prevent new claims from being filed in divisional applications. Nevertheless, until the restriction requirement practice at the Office is amended, it would not be difficult to utilize divisional applications and RCEs on a parent application to circumvent the limitations on continuation practice that these proposals seek to provide.

Best regards,



Mallun Yen
Managing Director
Worldwide Intellectual Property
Cisco Systems, Inc.