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**From:** Haughey, Paul C. [mailto:pchaughey@townsend.com]

**Sent:** Tuesday, May 02, 2006 9:03 PM

**To:** AB93Comments

**Subject:** Comments on proposed continuation rules

Thank you for the opportunity to comment. I have been a patent attorney with Townsend and Townsend and Crew for over 20 years, but these are my personal opinions, not those of my firm or my clients.

#### Summary

In summary, I think limiting the abusive use of continuations is a good idea, but suspect that the hoped for workload reduction won't materialize. I would suggest that the limitation not extend to RCEs and divisionals required by the examiner, or at least that more than one RCE be allowed. Alternately, limit RCEs only where new claims are introduced, and not where the original claims are still being pursued.

#### Examiners drive applicants to use RCEs, continuations

Although there are many good Examiners, quite a number drive applicants to continuations, RCEs or divisionals by actions discussed in other comments. Those include introducing new rejections on final actions and imposing restrictions on method and apparatus claims where the only difference between the apparatus and method elements is the words "means for." In addition, in the past we used to get multiple office actions before final.

#### Difference between continuations and RCEs

The abusive use of continuations that has been described in other comments relate to keeping continuations pending after a patent has issued, so claims can be changed to read on later developed products. These continuations literally claim things the inventor didn't think of when the original application was filed. In an RCE, on the other hand, no patent has issued, and the applicant is simply continuing to fight for the original patent, often on the original claims.

#### Changes won't reduce workload

With respect to reducing workload, although your examiners may be claiming to spend the same amount of time on continuations as on new applications, common sense tells us that simply can't be the case. The Examiner has already read the application and looked at the prior art. I suspect many are using the points or hours supposedly spent on continuations to make up for the fact they have to spend more time on original applications than is allotted. Also, both Examiners and applicants use RCEs and continuations to efficiently prosecute.

For example, features in dependent successively more detailed claims can be seriously addressed after it has been determined that the broad claim is not allowable. Most examiners don't seriously address the dependent claims initially, although they are now required to. They simply find a reference that sounds like the feature and throw it at the applicant without any serious analysis. After the independent claim is dropped, and the feature is incorporated into the independent claim, the examiner then takes it seriously, and often says a new search is required (=RCE, since the after final amendment isn't allowed).

Also, currently an interview can be scheduled only after it becomes apparent that the simpler written remarks haven't succeeded. Applicants will be driven to doing more

interviews earlier, and there will be more appeals. Although an interview may seem more efficient, it is additional work and time for both applicant and Examiner - it will not happen instead of the written amendment, but in addition to it. For all these reasons, I think you will find that reducing continuations won't reduce the backlog.

Real reasons for backlog, and real solution

The real reason for the backlog is the large number of applications filed. Two economists recently wrote a book analyzing our patent system [Adam Jaffe & Josh Lerner, "Innovation and Its Discontents - How Our Broken Patent System Is Endangering Innovation And Progress, And What To Do About It," (Princeton University Press, 2004)]. They point out that the number of patents issuing in the US increased at 1% a year from 1930 - 1982, then has increased at an annual rate of about 5.7% since, resulting in a lot of bad patents. They attribute this to two supposedly procedural changes - (1) the establishment of the CAFC in 1982, making patents more valuable, and (2) the conversion of the US patent office to dependence on user fees in the early 90's with a mission to serve patent applicants as customers. They doubt that Congress intended to both make patents a more potent weapon, and simultaneously make them easier to get. From my personal observation, most patents I see are on things that are obvious. Thus I believe this greater number of patents issuing is due to the obviousness standard being lowered, not an increase in the number of inventions. The Patent Office can't control the CAFC, but it can control the standard for issuing patents. Start a "just say no" quality campaign.

Although I always seem to go up against the tough examiners, I see patents asserted against my clients all the time where I scratch my head about what the examiner was thinking. Thus, I am forced to tell my clients that the only requirement for patentability seems to be novelty. The obviousness standard might as well not be there in practice for a large number of patents. This thus encourages everyone to file on "inventions" they would not have filed if a stricter standard were in place. Although stricter standards may result in more work in the short term as applicants fight hard for rejected claims, in the long term less applications should be filed. The current backlog is to some extent the result of the patent examiners granting patents because that requires less work than continuously fighting with persistent patent attorneys like myself.

- Paul Haughey