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**Sent:** Monday, April 24, 2006 2:47 PM

**To:** AB93Comments

**Cc:** Carrol.Barnes@SBA.gov

**Subject:** USPTO Proposed Rules

To: AB93Comments@USPTO.gov

cc: Carrol Barnes Bascus

Mail Stop Comments - Patents

Commissioner for Patents

P.O. Box 1450

Alexandria, Virginia 22313-1450

Attn: Robert W. Bahr

Re: USPTO Proposed Rules on Continuing Applications, Requests for Continued Examination Practice and Patent Applications Containing Patentably Indistinct Claims

Sir:

I am writing in response to the USPTO's notice of proposed rule changes regarding continuing applications, RCEs, and patent applications containing similar subject matter, published on January 3, 2006.

#### The PTO Should Not Adopt These Changes

A purpose of the Patent Law is to enable inventors to protect their inventions for a limited time. The current ability of inventors to file continuation and continuation-in-part applications is important to enable inventors to obtain the full scope of patent protection to which they are entitled.

As a person who has prosecuted patent applications for almost 25 years and who worked as an engineer and engineering manager prior to practicing law, I have come to know that innovation is often an evolutionary process. It is usually not possible to include in a first or even a second patent application all of the innovative features that may be associated with a particular product that is under development. It is often necessary to file several continuing applications in order to protect all of the inventions that are associated with a commercial product. This will become increasingly true if the U.S. adopts a "first to file system" which will require patent filings even earlier in the development process before all aspects of a commercial product have been finalized.

It is also common for inventors not to fully appreciate all of the patentable features that are included in their patent specification at the time of filing. Inventors may believe that a particular invention is important at the time of filing. However, a year or two later,

after the product has been in the market, it becomes apparent that a related but different aspect of what is included in the patent disclosure is of greater value than the original invention. This is particularly true for small businesses. Also, it is not uncommon for a patent disclosure that was originally believed to include only one invention to later be found to include several inventions. The developers of such inventions should not be impeded from obtaining patent protection on everything that they have invented.

Individual inventors and small businesses often file broad patent specifications describing many details of planned commercial products, and only pursue patent protection on one invention at a given time. Once the pending application has proceeded through the examination process, the patent applicant then seeks to protect other inventions described in their patent specification. This approach is used by many applicants with sparse resources to control the costs associated with patent prosecution.

Companies in fast moving industries often want to obtain at least some patent coverage as quickly as possible. I have represented many clients who, when they receive an Office Action including an indication of some allowable claims, prefer to have the allowable subject matter issue in a patent as soon as possible to ward off competitors. They file one or more continuing applications in order to pursue the unallowed patent coverage. This scenario has become more common as Patent Office delays have increased. Patent applicants should not be limited in their ability to obtain an early patent and still protect their rights by filing additional continuation applications.

The public purpose to be served by the Patent Office is to enable inventors to protect their inventions. It is contrary to this public purpose to impose additional restrictions on the ability to file divisional, continuation, continuation-in-part, or requests for continued examination (RCEs).

The proposed rule changes would also create a presumption that patent applications having overlapping subject matter, a common inventor and a filing date within two months, are patentably indistinct. These proposed rule changes should also not be adopted, as they are not in the interest of American competitiveness.

When companies develop new products, they often file numerous patent applications with claims directed to different features of that product. It is often most cost effective in these situations to prepare a common patent specification that describes in detail all of the recognized inventive concepts associated with the product. This helps ensure that there is adequate disclosure to support patent claims to each of the inventions, and also enables claiming the invention within the appropriate context. New products are often developed by teams of individuals. As a result, it is not uncommon for a particular individual to be named as an inventor of several different inventions related to a given product. This is particularly true for small businesses.

The Patent Office's proposed rule, which would create a presumption that commonly owned patent applications which share a common disclosure and at least one inventor are patentably indistinct, is unreasonable and would impose an undue burden. Why should

inventors be repeatedly forced to rebut presumptions that different sets of claims that are clearly directed to different subject matter are patentably indistinct? In addition, the proposed requirement of tracking all applications filed within a given time window in which a particular inventor is named, also presents an unreasonable burden for companies and their counsel. These proposed requirements will drive up the cost of prosecuting patent applications and will add needless additional complexity and paper work.

For all of these reasons, it is recommended that the Patent Office proposals not be adopted.

### Suggested Alternatives to Proposals

In its Notice of proposed rule making, the Patent Office itself states that “the Office’s proposed requirements for seeking second and subsequent continuations will not have an effect on the vast majority of patent applications.” (Federal Register/Vol.51, No.1, P.50). If this proposal will not impact a significant number of applications, then there is also no significant benefit to be obtained from its adoption. The interests of inventors in being able to fully protect their inventions clearly outweighs any need by the Patent Office to achieve a minimal increase in efficiency.

The Patent Office’s growing patent pendency problems have been exacerbated by the Office’s own practices. In the last few years the number of second, third and fourth nonfinal actions issued by the Office has dramatically increased. It is also now common for the Office to reopen prosecution a number of times during an appeal. In addition, it is now common for patent examiners, after having had their rejections reversed in a decision by the Board of Appeals and Interferences, to reopen prosecution of the application again as though no prior patent prosecution had occurred. These repeated reopenings of prosecution are a significant contributing factor to the Patent Office’s backlog and delay in taking up new applications for examination.

These practices by the Patent Office also make it unduly expensive to pursue patent protection. I have seen small businesses give up on pursuing patent protection for their inventions due to the cost of having to overcome repeated different Patent Office rejections. They then have no recourse when their innovative products are copied by low cost foreign manufacturers who drive the original developer of the product out of the market.

To address the backlog of patent applications, the Patent Office should continue to hire and train more examiners. However, there is also a need for a fundamental shift in the attitude of the Office. The Office should direct its examiners to examine each application and the associated claims thoroughly upon their initial review. Particular emphasis should be given to recognizing patentable subject matter included in an applicant’s claims in a first office action. When the applicant has responded to an office action, and the applicant has overcome the grounds for rejection, the claims should be allowed. Further searches to try to find another basis to reject unamended claims should not be the norm.

While improving patent quality is desirable, this can be accomplished by the Patent Office conducting a more thorough examination of the pertinent art and the claims before issuing a first office action. Further, the Patent Office needs to recognize that no matter how competent and expansive the nature of the searching and examination that is done by the Office, there may still be pertinent prior art that cannot be found. Patents cannot be made immune from challenges during litigation. Most importantly, the Patent Office should not be influenced by the vocal critics of the patent process who believe that most inventors should not be able to protect their developments, and/or who believe that even though software-based inventions may cost millions of dollars to develop, they should be “free” for anyone to copy.

The penalties that the courts have imposed on patent applicants who engage in deliberate and unreasonable delay in the prosecution of their patent applications are a sufficient deterrent to avoid abuses. In addition, the fact that patents can only last for 20 years from the earliest claimed filing date limits the ability of those who might attempt to obtain so-called “submarine” patents. The proposed rule changes are not needed to address these issues.

A fundamental flaw in the rationale associated with the Patent Office’s proposals is that the Office fails to recognize that divisional applications, continuation applications, continuation-in-part applications and RCEs are easier for patent examiners to deal with than new patent applications. The examiner in most of these situations has already reviewed the application at least once, and the prior search should reflect the state of the art as it pertains to the claims that were previously presented. As a result, the Patent Office’s ability to charge its now greatly increased fee rates for divisional and continuation applications represents more than the actual cost to examine such applications in most situations. This further supports the rejection of the proposed rules.

### Conclusion

A fundamental goal of the Patent Law is to enable inventors to obtain protection for what they have invented. The Patent Office’s proposed rules would impose an unreasonable burden and place additional obstacles in the path of inventors seeking to patent their inventions. The adoption of the proposed rules would harm American competitiveness and would be particularly detrimental to small businesses.

Thank you for your consideration.

Very truly yours,

Ralph E. Jocke