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From: Sam M. Korte [mailto:[smk@hoveywilliams.com](mailto:smk@hoveywilliams.com)]  
Sent: Thursday, March 16, 2006 9:32 AM  
To: AB93Comments  
Subject: Comment to Proposed Rule Change in Continuation Practice

The below comments to the proposed rule change in continuation and RCE practice reflect my personal opinion and are not the opinion of my employer or any clients I may represent.

The patent examination process is often viewed as a negotiation between the USPTO and patent applicants. Even when the process functions perfectly, such as where an applicant submits claims accurately reflecting the scope of his or her invention and the examiner diligently searches the prior art and cites relevant references, some degree of negotiation is still required. Only in the rarest of circumstances does an examiner allow all claims as originally filed.

Continuations and RCEs provide an essential tool in the negotiation between examiners and applicants. In the typical situation where an examiner allows some, but not all, of the claims pending in an application, an applicant is free to amend the claims, receive a patent on the amended claims, and file a continuation to seek more appropriate and accurate patent protection. Thus, a compromise is created by the examiner's partial allowance and the applicant's resulting amendment that fully serves both the interests of the public and the applicant. Continuation applications allow the examiner and the applicant to further negotiate the appropriate scope of applicant's invention while still providing the applicant with a potentially valuable patent on the previously allowed claims.

These beneficial compromises would be obliterated should continuation practice be restricted as outlined in the proposed rule. Without the ability to freely file multiple continuations, applicants would no longer have any incentive to amend claims for allowance due to the potential permanent loss of claimed subject matter. As such, should the examination process function perfectly, but the examiner and the applicant have a good faith difference of opinion over the allowability of the claimed subject matter, no compromise would be available and the applicant's only option would be to file a costly, time-consuming, and counter-productive appeal after exhausting the single continuation allowed by the rule.

When the patent examination process does not function perfectly, such as where an examiner issues two or more Office actions without performing a diligent search of the prior art, continuations and RCEs enable negotiations between the

examiner and the applicant to continue in the form of further amendments and Office actions, without resorting to an unproductive appeal. Often, after having three or more opportunities to review an application and its claims, examiners are able to locate relevant prior art and issue an appropriate rejection or allowance. If an applicant exhausts the one RCE or continuation allowed by the proposed rule, an examiner has no incentive to ever properly examine an application, because the applicant's only recourse is to file an appeal that will not be adjudicated for several years (by which time the examiner is unlikely to still be employed by the USPTO according to recent GAO reports).

Regardless of how the patent examination process functions, adoption of the proposed rule will only increase the number of appeals, and not the quality or speed of examination, due to the rule's impact on the negotiation between examiners and applicants. For the vast majority of applications, patent examiners, and not the BPAI, are in the best position to determine the patentability of an invention. Appeal to the BPAI should be reserved for rare situations involving complex legal or procedural issues and not for basic examination issues as would be necessitated by adoption of the proposed rule.

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