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From: Miller Patent Services [mailto:jmiller448@nc.rr.com]

Sent: Thursday, April 27, 2006 4:42 PM

To: AB93Comments

Subject: Comments

Here are my comments

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Comments Regarding Proposed Rulemaking for:

Docket No.: 2005-P-066

RIN 0651-AB93

Changes to Practice for Continuing Applications, Requests for Continued Examination Practice, and Applications Containing Patentably Indistinct Claims

Dear Sirs:

I strongly oppose the proposed changes in practice of Examination of Claims in Patent Applications referenced above for at least the following reasons. I support the AIPLA's position in this matter for the most part. While I applaud the USPTO's goals of quality enhancement and backlog reduction, and appreciate the enormity of task before it, I respectfully submit that the present proposal will do little to improve either and will quite likely have the opposite effect. These rule changes will have their major impact on a small minority of applications while imposing substantial cost and other disadvantages on virtually all applicants.

There are many good reasons why an Applicant may need to or choose to engage in continuing practice (including RCEs). Requiring an Applicant to justify continuations will simply build a bureaucracy that is costly for Applicants and the USPTO. As a practitioner, I am confident that there are abuses of the present system, but I strongly believe that such abuses would be curbed in a less burdensome way if the USPTO were to instead adopt a deferred examination practice policy as suggested below.

I particularly and quite strongly object to the provisions relating to applications with common inventors being presumed to be patentably indistinct. Such a presumption is tantamount to a presumption of unpatentability and is contrary to the wording of the patent statutes which state that "a person is entitled to a patent, unless...". This language clearly conveys that it is the Examiner's burden to establish *prima facie* unpatentability, and the proposed rule flies in the face of this burden by shifting the burden to the Applicant.

This provision is also quite impractical from an implementation point of view for the Applicant and practitioners. Often, companies with prolific inventors in their employ hire multiple firms to file applications on behalf of the inventor. Quite frequently, the multiple inventions differ substantially from one another and are totally unrelated. A practitioner often has no way to assure with certainty that other applications have not been filed. Speaking only for myself, my docketing system has no way known to me to even search by inventor in a manner that will assure finding all applications with a common inventor filed within two months of one another.

The concern here appears to be detection of double patenting situations. Clearly, no practitioner wishes to obtain patents of questionable validity by virtue of double patenting. But, a presumption of patentable indistinctness in all cases is not the answer. I

would have no objection to a requirement to disclose related applications to the USPTO, and commonly do so on the belief that such identification is required under the duty of candor. A clarification that such a disclosure is required should be adequate to isolate potential problems.

Suggestions:

I believe that the backlog and examination quality could be more easily and substantially improved by implementing the following changes:

- Change the current count system for measuring examiner performance: 1) Examiners' work in examining complex cases should be acknowledged and accounted for in the system. 2) Measurement methods should be examined to remove incentives for doing anything other than activities related to a quality examination (i.e., an examiner should have no motivation to coerce the applicant to file an RCE or continuation in order to get more counts for a single examination). 3) Devise a system that rewards quality examination and brings prosecution to an appropriate conclusion rapidly, rather than rewarding actions that merely accumulate counts.
- Adopt a system of deferred examination. While individuals, startups, small companies and companies in certain industries need quick patent protection, the world's largest patent recipients often do not have similar needs. I have worked for three large corporations in my career, and with only rare exceptions, when filing applications abroad the standing orders are to defer examination as long as possible. Many applications are then ultimately abandoned. I strongly believe that large companies would behave in a similar manner in the U.S. if given the opportunity. They would probably even be willing to pay reasonable maintenance fees to keep the application alive since such fees involve a much smaller cost than actual prosecution.<sup>1</sup> Adopting a deferred examination system is relatively simple and would immediately free up large numbers of applications from examination. (I recognize that a system for intervening rights might have to be adopted.) Note that large companies file large numbers of patents because they know that the patent game is a crap shoot. They know as well as you that only a small percentage of the patents they file for or receive will ever be of financial value. However, which patents will be important is quite unpredictable. Note that the PCT is primarily used these days as a mechanism for buying time to make decisions before making major financial commitments. Even the 30 month PCT delay is often not enough to make a clear decision. Similarly, if applicants can file and defer examination until either 1) more is clear about the prior art, 2) the invention's importance in the marketplace can be better quantified, or 3) an infringer surfaces, many will do it. Deferred examination makes sense. (I personally will not be looking forward to the added administrative burden deferred examination may create, but strongly believe that it is the best way to get

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<sup>1</sup> At the 4/26/2006 Town Hall Meeting in Alexandria, Mr. Doll seemed surprised that companies might be willing to defer prosecution, because most 3 ½ year maintenance fees are paid. It is noted that this fee is quite small compared with the cost of acquiring the patent, and most companies are willing to keep a patent around for a few more years to see if value materializes.

- quick returns on the backlog problem which will free examiners to do a better job on the cases that are being examined.)
- Modify the current “second set of eyes” quality system. This system in its current form equates quality as not issuing a bad patent. However, there is another side of the equation. The current system does nothing to prevent the examiner from wrongly rejecting a good patent application. In fact, in my experience, it in fact often discourages issuance of patents for applications that meet all of the legal requirements. The net result is that there are examiners that are willing to devote unrewarded efforts to perpetual rejection rather than face allowing a good application. Clearly this is non-productive, contributes to the backlog, and takes a one way street approach to quality. USPTO policies should be ever mindful of assuring that an inventor’s rights are not suppressed or needlessly withheld by virtue of a one way interpretation of quality.
  - Explore the possibility of something akin to a “petty patent” which receives little or no examination and provides lesser protection.

Thank you for the opportunity to comment on these proposed rules.