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From: Robert F. Bodi [mailto:rbodi@pearnegordon.com]

Sent: Wednesday, May 03, 2006 4:55 PM

To: AB93Comments

Subject: Comments

Attached are some comments on the proposed rules changes for your consideration. We will also be sending hard copies to the listed address. Please forward a copy to the Honorable Jon Dudas.

Thank you.

-Bob Bodi

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May 3, 2006

The Honorable Jon Dudas  
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Attn: Robert W. Bahr  
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Via email: Robert W. Bahr <[AB93Comments@uspto.gov](mailto:AB93Comments@uspto.gov)>

Re: Comments on Proposed Rules: "Changes to Practice for Continuing Applications, Requests for Continued Examination Practice, and Applications Containing Patentably Indistinct Claims" 71 Fed. Reg. 48 (January 3, 2006)

Dear Under Secretary Dudas and Robert Bahr:

The above-referenced law firm, Pearne & Gordon LLP, is a boutique intellectual property law firm including about 20 attorneys licensed to practice before the US Patent Office; the bulk of what we do is prepare and prosecute patent applications in the United States Patent Office. Our firm would like to take this opportunity to comment on the proposed rules changes directed to practice for continuing applications, requests for continued examination practice, and applications containing patentably indistinct claims, as published at 71 Fed. Reg. 48 (January 3, 2006). Please note that this letter reflects general viewpoints from various members of our firm following roundtable discussions on the described issues. It is to be understood that any individual comment may not reflect the views of every member of the firm.

In general, we are opposed to the proposed rules changes for a number of reasons, some of which will be discussed in more detail below. However, we are particularly disappointed that the USPTO would choose to unilaterally unleash proposed rules changes that purport to help solve various problems of patent examination without undergoing any public process of discussion and investigation that was open to patent practitioners and applicants. It is our opinion that without the explicit participation of those who practice on a daily basis before the USPTO, an optimum solution to the problems of patent prosecution is unachievable. Furthermore, by excluding input from those whom the USPTO is supposed to serve, namely the practitioners and their clients along with inventors proceeding *pro se*, the proposed rules changes are one-sided and focus only on what is easiest for the UPSTO, at the expense of the public whom it serves.

Furthermore, it is our opinion that the proposed rules changes will do little to solve the very problems that are identified as being the impetus for the changes, for at least the reasons that are also discussed below.

Even more troubling, however, is that it appears that the USPTO has improperly proposed rules changes that are directed toward solving policy issues, not merely to correct procedural flaws in the current system. In particular, we have heard it explained that one of the purposes of the proposed changes is to correct “abuses” of the system, such as “submarine patents” and extraordinary uses of continuation practice. In essence, the USPTO is usurping the policy making role of Congress by attempting to solve such “problems” that are, at this time, clearly legal, and quite likely also within the original intent of Congress, which was clearly to broadly protect the intellectual property of the nation’s industry. In addition, the USPTO is using the perceived “abusive” practices of admittedly only a very few patent applicants to propose rules changes that will impact *all applicants*, the vast majority of whom do not engage in such practices, but will be adversely effected by the new rules, if implemented.

Finally, we are deeply disturbed by an attitude that we have perceived of the USPTO representatives: that current applicants are somehow “interfering” with the “real job” of the USPTO, which has been professed to be focusing on “new” applications rather than “reworking” current applications. This makes no sense. If a so-called “rework” application is legitimate, if it is seeking protection that its owner is entitled to pursue under the law, and if it is not being prosecuted for a spurious or fraudulent purpose, then this “rework” is part of the real job of the USPTO, and is thus not in any way “improper”. The USPTO has just as much a duty to serve those who have continuing work to be done on an application as it does to service “new” applications. The federal statutes that create and authorize so-called “continuation practice” do not distinguish such applications from “new” applications in terms of their importance, nor does it limit the resources that are to be committed to them. All relevant and valid patent applications deserve equal treatment by the USPTO. The USPTO should endeavor to find solutions to its problems that serve

both new and existing customers, instead of trying to push current customers “out the door” so that “new” customers can be accommodated. It is our opinion that the current proposed rules changes neither serve the needs of current customers, nor will provide any real benefit to existing customers (who, of course, then become “current” customers often with “rework” of their own), for the reasons discussed below.

One suggestion that comes immediately to mind for improving the USPTO's workload is to modify the current strategy that appears to motivate most patent examiners. There seems to be significant pressure on patent examiners these days to reject applications. We submit that if examiners instead were motivated to conduct careful examinations with the goal to allow valid patent claims, instead of simply rejecting claims at any cost, the number of poor claim rejections would decrease, and with it the incidence of continuation applications. Much continuation practice is the consequence of poor examination, including spurious or unsupportable rejections made by examiners who are either unwilling or unable to relent, even in view of valid arguments against their rejections. It is not uncommon to have an examiner allow a patent claim, only to have his decision overturned later by a supervisor or by quality control with little or no explanation or guidance, but apparently with only a directive to do more searching and find a way to reject the claim at any cost. Some examiners have even confided in patent attorneys, at this firm and at others, that they simply cannot allow a claim because it does not contain enough words to pass a review by his/her supervisor. The ridiculousness of the situation should be clear to anyone knowledgeable about the law.

We recognize the current 'reject, reject, reject' initiative was the result of some questionable patents making it through the system in the past, which called negative attention onto the USPTO in the media and in the public. But the answer is not to force or intimidate patent examiners to reject all applications across-the-board in order to keep their jobs. The answer is to force examiners to conduct careful and thorough examinations to keep their jobs. Careful examination would weed out the questionable patents that draw negative media attention. At the same time, it would minimize the occurrences of poor or unsupportable rejections that contribute significantly to continuation practice. Most patent attorneys who are faced with a legitimate Section 102 or 103 rejection will advise their clients to amend claims or abandon an application.

Clients do not like paying for continuation practice because it can double or triple the cost of patent prosecution, and of course greatly increases the maintenance fees down the road. Attorneys who recommend it for its own sake, as opposed to for a legitimate purpose such as to pursue new or valuable claims, or to continue to prosecute poorly rejected claims, will soon find themselves without clients. High quality examination in the first instance will provide attorneys the basis they need to recommend against continuation practice to their clients in situations where it is truly unwarranted. This, we submit, is the solution to the perceived problem of excess "rework" at the USPTO; not

eliminating it or making it less accessible in cases where it is truly warranted. In other words, making continuation practice less warranted should address the concerns of the USPTO, without making it inaccessible in legitimate situations, as would be the case under the proposed rules changes.

In addition to the foregoing, please take into consideration the following specific points.

### **ISSUE 1: THE PROPOSED RULES CHANGES DON'T SOLVE THE MAJOR CAUSES OF THE PROBLEMS**

First, we would like to note that the proposed rules changes do not address the real causes of the large backlog of applications. The real causes are the lack of skilled examiners to examine the cases, together with pressure from above to reject at all costs. There are at least four reasons for this.

First, the USPTO does not pay examiners, who are for the most part trained engineers, salaries that are sufficient to attract a sufficient number of qualified persons to the profession. This issue is compounded by the fact that, in the “hottest” technologies that are naturally going to attract the most patent applications, the prevailing salaries will, of course, be higher and there will therefore be a shortage of qualified persons to fill needed slots. The solution is not to blame applicants for this and effectively force them to suffer for this problem, but to pay engineers what the market determines they are worth.

Instead, the USPTO is basically turned into a factory for training engineers about the patent profession so that they can leave and earn a prevailing wage elsewhere. This is why the attrition rate is so atrocious. This problem is solved in the free market by paying an employee the prevailing wage, which both attracts new qualified employees, and encourages existing employees to stay on. The USPTO cannot beat the free market at its own game.

Admittedly, the USPTO cannot solve this problem alone, as we understand that the setting of salaries is not under the unilateral control of the USPTO. But it is unclear that any effort has been made to persuade Congress to fix this problem in the only manner it can be fixed, by increasing the salaries of examiners commensurate with what they would make in the open market given their knowledge and skills. The proposed rules changes do nothing at all to address these problems, and as the salaries offered by the USPTO continue to diverge from the marketplace, the problem will only get worse.

Second, the backlog has much to do with the poor quality of examinations that we are seeing more and more, especially in the “hot” technologies. Again, this is because the

USPTO must constantly hire new examiners to replace the examiners who have found better paying jobs. But this is also a symptom of what we believe is poor training, the lack of follow-up training, the lack of adequate supervision and oversight, or any combination of these three problems.

We find that rejections in the hot technologies are frequently poorly supported, and that non-relevant references are regularly cited against claims merely because the references and the claims tend to have “key words” in common. Examiners consistently ignore clear limitations found in the claims, and also tend to totally ignore the dependent claims, or make only token efforts to respond to them.

Furthermore, the USPTO appears to take bad allowances seriously, but appears to ignore that bad rejections are also a problem. Examiners often complain that quality control will unilaterally overrule their allowances, but poor rejections reach us on a daily basis. Thus, as practitioners, we have to respond to such rejections, putting an additional burden on the USPTO. A bad rejection not only costs our clients money, but it makes the Examiner do a job at least twice that should have been done only once. And, of course, the applicant is forced to respond respectively.

We understand that much of the problem is that the examiners are inexperienced. However, we see no effort to identify and correct these very common errors in rejections, and thus the examiners just keep making the same errors over and over again, leading to the very “rework” that the USPTO claims is slowing down the system. The proposed rules changes will do nothing at all to solve this problem.

Third, the examiners don’t spend enough time searching, the quality of their searches are poor, and they fail to search in a manner that anticipates the direction that the case is likely to proceed. If the examiner identified more of the relevant prior art at an earlier phase of the examination, the applicant could more quickly settle on the proper scope of claims, and thus shorten the examination time.

The problem is that examiners tend to search with the primary goal of rejecting the broadest claim(s). As discussed above, the examiner often ignores the dependent claims, and sometimes even ignores further limitations in narrower independent claims. Furthermore, the examiner almost never searches the prior art with the goal of finding the most relevant art. Instead, once the examiner finds a reference that he can use to reject the broadest claim, he often stops there, merely supplementing the search with additional references to make “obviousness” type rejections of the other, more limiting claims, often based on non-relevant art and typically based on almost universally improper arguments of motivation that are regularly overruled by the Board and the Courts.

Accordingly, the applicant often does not have a clue as to what the most relevant prior art is, even after a rejection, and often even after subsequent rejections, and thus

must amend the claims by pure guesswork. By putting more effort into the original search, the examiner would do much to avoid “rework,” and would thus move the case more quickly through the system. The examiner could easily do a better search by becoming familiar with the application as a whole, rather than just focusing on the language of the broadest claim. It appears clear to us that examiners very rarely actually read a patent specification, focusing instead exclusively on the claims, and even then, almost exclusively on the broadest claim.

An alternative approach would be for the USPTO to farm out the searching to a group that is dedicated to such activities, and provides the examiner with a list of relevant references ranked by their relevance to the current application. Thus, perhaps by splitting the tasks of searching and examining, each might be done in a more effective manner. Furthermore, the USPTO could easily hire more retired and part-time persons to perform searches, or farm them out to contractors, without negatively impacting the examiner pool, but which would effectively free up the examiner to do a better job based on better prior art.

Along this vein, the proposal to limit the number of references cited in an IDS seems silly. Providing a list of references to the examiner can only help him. Even if the references are not particularly relevant, the examiner is at least given a starting point, and he can always ignore the irrelevant references. The issue of whether large lists of references are somehow an “abuse” with respect to the presumption of validity is an issue that is not for the USPTO to solve, as that is a policy issue for the Courts and Congress to address.

Finally, we find that the examiners provide little, if any, advice to the applicant or the practitioner as to how to best proceed with prosecution. We find that examiners are reluctant to suggest claim amendments, or to even comment on amendments proposed by applicants. It seems as if the examiner does his best to remain aloof, and that the typical attitude is that it is not the examiner’s job to help the applicant get allowable claims, when, in fact, that is *exactly* what his job should be. Rarely do we get a call from an examiner recommending claim amendments that might lead to allowance. And when we do, it is almost always at the end of the government's fiscal quarters, when examiners will do almost anything to earn disposal “counts.” And speaking of “counts”, many of the rules implementing that policy appear to us to provide adverse incentives as to what should be the purpose of the examination process, but that is a topic for another day.

By encouraging the examiners to work more closely with applicants, and to do a better, more careful job examining applications, the UPSTO could do much to expedite the examination of cases and prevent unnecessary “rework.” However, the current system appears to be set up to discourage such help, and thus applicants have to guess at what would satisfy the examiner, and that guess can be, as often as not, wrong.

## **ISSUE 2: THE PROPOSED RULES CHANGES CONFLICT WITH EACH OTHER**

The proposed rules changes appear to be basically unrelated efforts to solve problems that are admitted by the USPTO to be caused by only a limited number of applications. But the rules, from the view of our practice, tend to conflict with each other.

First, any proposal to limit the use of continuations and RCEs would naturally lead a practitioner to add additional dependent claims, so that a wide variety of features would be examined and the most novel features thus identified, and so that the claims could be narrowed in the least limiting manner. Under the current rules, it is unnecessary to claim every imaginable combination of features because there is flexibility to do so later based on what art is identified by the examiner.

However, by also limiting the number of claims that will be examined, practitioners are hit with a “double whammy”, and are told that although they get only two rounds of amendments, the features that will be searched will also be limited. This basically is transferring the cost of identifying and searching the prior art to the applicants, which is a drain on the resources of smaller businesses and individuals. This might be fair if there were a corresponding reduction in fees, but we have seen no evidence that this is even being considered. Thus, the USPTO is proposing to greatly increase the costs of filing a patent application without any commensurate gains for the applicant. What, exactly, is the public getting for this increase in the costs of protecting inventions? We don’t see any such public benefits equivalent to the increased costs, at least none that are related to the protection of inventions.

Accordingly, these proposed changes, in tandem, tend to stack the deck in favor of applicants with large amounts of cash or in-house IP resources, who can then afford to search the prior art in detail and anticipate the rejections in advance, and thus draft the claims accordingly. These are the very groups that tend to cause the so-called “abuses” identified by the USPTO, i.e., the “overuse” of continuations, use of extensive numbers of claims, etc., because they can absorb the costs associated with such practices.

Applicants with fewer resources, however, are put at a great disadvantage, and thus will likely compromise by drafting claims with narrower scope than they are legally entitled to. Although this may tend to reduce the load on the USPTO somewhat, it does so at the expense of what are traditionally the most innovative groups, the small business and the individual. These groups cannot afford to spend their limited time and money to perform extensive prior art searches. Thus, the effective rewards of seeking patents for the “little guy” are greatly reduced because they will likely obtain patents of lesser scope (and thus of less value), and the parties that typically cause the “problems” identified by the USPTO more easily adapt.

Consequently, the proposed changes work at cross-purposes for the applicant



with fewer resources, yet they will have much less effect those who have the money to shift the search burden to themselves. Any one of the proposed changes, standing alone, might be accommodated by the applicant with more limited resources through adaptations in their practice. But putting them together effectively stacks the system to favor those with financial resources even more than the current system does.

Of course, we have clients both large and small. And we know those with greater resources will use their resources to their advantage. There is nothing wrong with that. However, there is no reason for the UPSTO to propose rules that further stack the deck in the direction of those with greater resources, as they already have a substantial advantage. It is our firm's position that a level playing field is best, whenever possible and within reason. The proposed rules changes do nothing to help level the playing field, and, in fact, will tilt it even further toward those with greater financial resources, to the detriment of encouraging true innovation across the board, in our opinion.

### **ISSUE 3: RCEs ARE DIFFERENT THAN CONTINUATIONS AND DIVISIONALS**

In the discussion of the proposed rules changes, and in the proposed rules themselves, the UPSTO groups RCEs, continuations, and divisionals together, calling them "rework". However, from a practice point of view, these are all treated very differently. It is our opinion that they should be treated differently by the rules as well.

In practice, RCEs are used by practitioners to ensure that the applicant obtains claims with a scope as close as possible to the broadest scope due him or her under the law. This is done by only limiting the originally filed, relatively broad claims to exclude the discovered prior art, if necessary. This is not, from our perspective, an "abuse" of the system. Instead, it is merely the only means available for us to generate claims that are as broad as possible, but still valid over the discovered prior art. This is particularly true when the examiner performs relatively poor initial searches, as discussed above.

Accordingly, the typical path of an application is that the first round of rejections involve a reference that is only somewhat relevant. Practitioners often will make minor changes that are often not even necessary from a legal viewpoint, merely to force the examiner to do a proper search. The second rejection is made final due to the minor changes, despite the fact it is the first time that more relevant art has been applied. To make more substantive changes after a final rejection, it is necessary to file an RCE. Now, the Examiner typically starts to get serious about a search, and he finds much more relevant references.

The proposed rules changes, without better examiner training to conduct more relevant searches and make only relevant rejections, only prevents applicants from filing the RCE without providing them the benefit of a good search and examination at the start.

The result is that applicants will be forced to capitulate to even poor rejections for fear that filing a single RCE, the only "rework" that will be allowed as of right, might prevent them from filing a continuation later on if it becomes apparent additional features should be claimed. In short, if examiners are instructed to conduct a relevant and careful search *initially*, then no RCE will be necessary to force such a search. Under the current regime, applicants are *forced* to follow the RCE route because the examiner has shortchanged him/her on an effective search, and thus has not found the most relevant references until *after* the first RCE was filed. This is hardly fair to the applicant, and it is clearly not conducive to getting patents issued of proper scope.

This problem goes away, however, if the examiner finds the most relevant references in the first search, or is provided a list of the most relevant references by a separate search team, for example. Thus, the emphasis should be on the examiner doing his or her job properly from the start, not on limiting an applicants recourse to bad examinations.

Accordingly, the use of RCEs is in contrast to the use of continuations and divisionals, which are more traditionally used to pursue claims of a substantially different scope, rather than to obtain claims of the broadest reasonable scope, which is how RCEs are typically used. We do not view this as "rework" at all, but as a further tool to combat the 'reject reject reject' attitude of many examiners in order to pursue legitimate and proper claim scope for our clients. Thus, RCEs should not be lumped in with continuations and divisionals, which are, in practice, used very differently, and the USPTO should recognize this difference. Hence, unless the USPTO makes exceptions to the "one RCE" rule to overcome the all-to-common situation of poor searching and bad rejections, the examination process will make it very difficult to obtain claims of the proper legal scope, to the detriment of many applicants, and to American industry as well.

Furthermore, the current practice of granting interviews only at the discretion of the Examiner after a final rejection must be changed to make such interviews mandatory, especially if the use of RCEs will be limited. In fact, we find the general effort to discourage after-final interviews to be a detriment to good practice. There is no better time to discuss the case with the examiner than prior to the filing of an RCE with possible major claim amendments. The fact that many examiners discourage such discussion does nothing to reduce the caseload of the examiner, because it just leads to a "shoot in the dark" approach to claim amendments, when acceptable changes might satisfy the examiner. This, of course, just leads to even more "rework".

#### **ISSUE 4: THE USE OF CONTINUATIONS IS NOT AN "ABUSE"**

Applicants are explicitly given a legal right to file continuations in 35 U.S.C. 120. In fact, the language clearly grants applicants the right to file a continuation of a

continuation. Furthermore, the statute does not provide any authority for the USPTO to unilaterally limit the number of continuations. No conditions on the number of continuation that can be filed are found in the statute, and no authority to set such conditions is provided to the USPTO. Accordingly, it is our opinion that the USPTO has no authority to implement a rule limiting the number of continuations to an arbitrary number.

Furthermore, there are many legitimate reasons to file continuations. Applicants may disclose many inventions in the originally filed applications, some of which the applicants may not even be aware are important until some time after prosecution of the original application has begun. Furthermore, an applicant may discover various infringers during prosecution, and thus the applicant may desire to spin off applications that contain more narrowly drafted claims in order to have clearer legal arguments to challenge a particular infringer. The applicant should not have to forego legally entitled broader claims just because he would like to proceed against an infringer sooner than might otherwise occur if he continued to pursue the broader claims in the same case.

The proposed rule changes do not address any of these legitimate reasons to file a continuation application, and limiting such opportunities will ultimately only decrease the value of intellectual property by preventing, or at least making it more difficult, for applicants to obtain claims of the proper legal scope for every invention that may be disclosed in an originally filed application.

The USPTO appears to be acting under the assumption that it is somehow *improper* for an applicant to attempt to obtain valid claims of the broadest reasonable scope for each and every invention in a disclosure. Continuation practice is merely the means of asserting such rights in a reasonable manner, in accordance with the law. The fact that continuations increase the load on the USPTO is more than compensated by the fact that each such continuation generally incurs the same fees as a new application, despite the fact that it likely will entail less work by the USPTO, because the searches and examination of the original application will likely be pertinent for most continuation applications, especially if the USPTO implements policies to *improve*, rather than *limit*, examinations. Consequently, the fees typically more than offset the costs of legitimate continuation applications.

Finally, because the USPTO has not identified continuation applications as being a major source of the application backlog, changing the rules to limit such practice will have limited impact on such a backlog. However, although continuations are rarely utilized by most applicants, it is a very important tool for those situations where it makes sense (e.g., multiple inventions and/or identification of infringers), and thus its limitation will have a negative impact in those unusual, but important, situations. Limiting continuation practice will merely make it more difficult for inventors to assert their inventions in a timely manner and make it more likely that inventions will be disclosed that

will not be legally protected, whether that is due to a lack of initial funding for pursuing all inventions disclosed, a lack of insight into what scope of the inventions are important, or mere strategic or practice errors. Any proposed benefits of these restrictions are far outweighed by these negative impacts, in our opinion.

#### **ISSUE 5: DIVISIONAL CHANGES**

The proposed rules changes with respect to divisionals are problematic for reasons similar to those discussed above for continuations. Many applications contain disclosures of multiple related, but patentably distinct, inventions, not all of which can easily be claimed upon filing the initial application. There are a number of reasons for this.

For example, an applicant may have limited funding to apply to patent prosecution, and thus may be able to pursue only one invention at a time. If all of the disclosed inventions in an application are related, it makes sense they be disclosed together, and it might even be required if one related invention is necessary to the operation or to enable or disclose the best mode for another. The costs of pursuing multiple applications are also considerable, and the proposed rules changes will greatly increase the up-front costs, especially when practitioner fees for drafting the additional claims, and the recent drastic USPTO increase in additional claim fees, are considered. Thus, restricting divisionals to only those inventions that are both claimed *and* disclosed puts a tremendous initial financial burden on the applicant, and then puts an additional financial burden on the applicant when he has to simultaneously pursue all of the divisional applications to preserve his rights in the multiple inventions.

Furthermore, an applicant, and even the practitioner, may not be aware that an application contains multiple inventions at the time of filing, and may not become aware of the additional inventions for some time after prosecution on the application has already begun, and even substantially advanced. Hence, there are many legitimate reasons why the initially filed application does not claim every invention disclosed in the application, and restricting continuation practice will impact the applicants ability to protect each and every invention that may be disclosed in an application.

Obviously, even if every invention could be claimed at the time of filing, it is our understanding that the proposed rule requires that all possible divisionals (based on examiner issued restrictions) must be filed after prosecution of the parent case is closed, and that any divisionals not filed at that time will be considered abandoned. Such a rule would provide a great hardship on many small entities and individuals who cannot afford to simultaneously prosecute a plurality of applications. We see no legitimate reason that the USPTO should require that all such divisionals be filed during the pendency of the original parent case, as such a rule will have no impact at all on the pendency of applications, and in fact will tend to front-end load the USPTO with all the divisionals that

can be filed, as opposed to the current system where they can be stratified. Furthermore, we do not think that a rules change that will clearly lead to more inventions being abandoned by inventors is a good economic policy for the United States.

Furthermore, because restrictions are issued at the discretion of the Examiner, we are concerned that the USPTO, or individual art units, may pressure examiners to limit the issuance of restrictions in order to reduce the number of applications in the queue to be examined, thus artificially making it appear that the pendency rate has gone down, at the cost of forcing inventors to forego protection of their inventions. This is of particular concern because of the proposed 10 claim examination rule.

We foresee a scenario where examiners will refuse to issue restrictions for multiple claimed inventions to avoid increasing the number of pending applications, and thus the applicant is limited to a claim or two per invention undergoing examination. This would make it almost impossible to gain claims of adequate scope for each of the disclosed inventions under the single RCE rule, but it would make it look like the USPTO is reducing its pendency rate, when all it is really doing is forcing a consolidation of multiple inventions into a single application. Such a practice will do little to foster innovation, but will artificially make the UPSTO look as if the rules change are working. This is a possible perverse incentive that we see being put in place by the proposed rules changes.

We are also concerned that the consolidation rules, which we have no indication as to how they might be implemented, may result in a scenario where the USPTO forces multiple inventions into a single application to undergo the scenario discussed above.

In order to avoid any potential for such an abuse, the USPTO, if it implements limitations on continuation/divisional practice, must make it mandatory for examiners to issue restrictions when requested to do so by the applicant, except in cases where it is clear that there such restrictions are not proper. Otherwise, the potential for abusing the system, as outlined above, is very real and tempting to those art units that want it to appear as if their pendency rate has been reduced.

## **ISSUE 6: MISCELLANEOUS ISSUES**

We are also greatly concerned about a number of additional proposals that have been discussed.

First, we cannot support the effort to restrict claiming priority to a single parent application in divisional (or continuation) applications. Applicants, especially when they are large entities, often file various applications that tend to overlap in subject matter. It is difficult for such organizations to track each and every application that has been filed, and rarely do they have an organized approach to filing patent applications, especially

when work is divided in overlapping development units. We see no real advantage to either the USPTO or the public of restricting such priority claims. Priority claims do not significantly increase the work of the USPTO, and thus this is clearly a policy matter that should be left to the policy makers.

Furthermore, with respect to the proposed practice of requiring an Examination Support Document if more than 10 claims are to be designated for examination, we note that it has been presented to us that such a document will require that applicants make admissions as to which claim elements are present in which prior art documents. Such a requirement shows a complete lack of understanding of the pitfalls that admissions can have should enforcement of a patent be required. Any admissions that the prior art teaches specific claim elements could greatly prejudice the assertion of any resulting patent against an infringer in ways totally unintended or unanticipated (and which could not have been anticipated given the changing landscape of Federal Circuit jurisprudence), and thus will be a practice to be greatly avoided. Accordingly, the use of such a document to support additional claims will likely not be considered by many, if not most, attorneys and thus is not effective for its purpose, i.e., to get around the 10 claim examination rule. Accordingly, the 10 claim rule effectively limits an application to at most 10 examined claims for many practitioners.

Finally, the USPTO appears to hope that the proposed rules changes will force applicants to make greater use of the appeals process after final rejections are issued, rather than filing multiple RCEs. We note that this shows a lack of understanding of the extensive costs on the applicant of filing an appeal. Preparing an Appeal Brief is a very costly undertaking, and thus is not one that should be done until the time is ripe, because preparing a brief typically incurs costs comparable to at least two complete rounds of ordinary examination, and often much greater costs.

This is particularly problematic when one considers the poor examinations and searches that are often provided in the first round of examination. The applicant (or practitioner) may not be confident that the claims are in a proper final condition at the time of the final rejection even if the rejection is clearly improper, because examiners often fail to find the most relevant art prior to the filing of an RCE. Accordingly, the only purpose of filing an appeal in this situation is to force the examiner to do a proper search and examination. Typically what happens is the Notice of Appeal and Appeal Brief are filed, all at substantial expense to the applicant, just to have the examiner (or his supervisor) then decide to unilaterally reopen prosecution, without allowing the case to proceed to the Board of Appeals. The applicant should not have to file an appeal just to get a proper examination conducted. An RCE gets the applicant to the same place, at about 10-25% of the cost of preparing and filing an Appeal Brief. Thus, yet again, the UPSTO appears to be attempting to shift cost burdens onto applicant when the shortcoming is in the examination process itself.

Furthermore, the number of Pre-Appeal Brief Conference Requests that lead to the withdrawal of rejections, along with the number of appeals that are decided in the applicants favor, clearly support the claim that the appeals process is merely providing a check on poor examinations. The appeals process is not supposed to provide a regular substitute for a proper and adequate examination. It is meant for exceptional situations only, and should be treated as such considering its extensive costs to applicants.

## **CONCLUSION**

In conclusion, it is our opinion that the proposed rules changes are ill-advised, poorly thought out, and not in the best interests of any of the parties most impacted by the rules changes, including U.S. industry, and including the USPTO. We think that these proposed changes are arbitrary, and we do not think that they will even begin to address the very problems that they are intended to solve.

Furthermore, we are very disappointed in the approach that the USPTO has taken with respect to these proposed rules changes. In our opinion, the approach has been that “these rules changes are going to happen, so just deal with it”. The USPTO is an administrative agency of the U.S. government, and was created and exists to serve the American public. Under the proposed changes, this organization will greatly disserve that public by levying significant fees from them, making it more burdensome for them to obtain legitimate patent protection for their inventions, and give nothing in return, all for the purpose of making the USPTO 'look good,' albeit for a short while—until the continued presence of the targeted shortcomings becomes once again clear. There is no doubt there are problems. But to achieve effective solutions, the USPTO must include those who are most affected by those problems in their resolution, the American public and the patent practitioners who service them and act as their interface with the USPTO.

We are further disappointed that the USPTO believes that it is proper to unilaterally consider and propose rules changes without any attempt to invite its own customers to support that process. It was clearly not appropriate, in our opinion, for the USPTO to present these changes for comment in the manner it has done, when the USPTO's own representatives, who have been speaking for months around the country, have made perfectly clear that the proposed rules *will* be implemented and we (the American public) may as well just accept that fact.

We note that we will also be contacting our elected officials to voice our concerns about these matters. It is our hope that the USPTO will abandon these proposed rules changes, and instead issue a call for support from the practitioner and applicant community, and public at large, to work with the USPTO to solve the patent application backlog problem in a fair and judicious manner, rather than imposing questionable “solutions” that have little or no hope of addressing the identified problems.

We appreciate the opportunity to provide comments on the proposed rules changes, and we hope that these comments will be seriously considered.

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert F. Bodi". The signature is fluid and cursive, with the first name "Robert" and last name "Bodi" clearly distinguishable.

Robert F. Bodi