

-----Original Message-----

**From:** Chad D. Tillman [mailto:chad@ti-law.com]

**Sent:** Wednesday, May 03, 2006 11:42 PM

**To:** AB93Comments; AB94Comments

**Cc:** jim@ti-law.com; 'Allyn Rhodes'; 'Oana Graveline'; Confirmation Copy

**Subject:** Tillman Wright, PLLC Comments on Proposed Rulemaking

**Importance:** High

Attached please find comments to the proposed rulemaking. The comments are submitted on behalf of the law firm of Tillman Wright, PLLC.

\*\*\*\*\*

Chad D. Tillman  
Registered Patent Attorney

(704) 248-6292 desk  
(704) 458-2423 mobile

TILLMAN WRIGHT, PLLC  
P.O. Box 471581  
Charlotte, NC 28247

(877) 248-5100 office tel. & fax



# TILLMAN WRIGHT, PLLC

*Client Focus. National Expertise.®*

- ❖ Patents, Trademarks & Copyrights
- ❖ IP Licensing, Litigation & Opinions
- ❖ Patent Cooperation Treaty (PCT) Practice
- ❖ 7400 Carmel Executive Park Dr, Ste. 120  
Charlotte, North Carolina 28226-8415  
(877) 248-5100 Telephone & Facsimile

## Via Email

AB93Comments@uspto.gov

AB94Comments@uspto.gov

May 3, 2006

Mail Stop Comments – Patents  
Attn: Robert A. Bahr  
Commissioner for Patents  
U.S. Patent & Trademark Office  
P.O. Box 1450  
Alexandria, VA 22313-1450

RE: Comments on Proposed Changes to Practice for Continuing Applications, Requests for Continued Examination Practice, and Applications Containing Patentably Indistinct Claims and for the Examination of Claims in Patent Applications

Dear Mr. Bahr:

The law firm of Tillman Wright, PLLC (“Tillman Wright”) submits the following comments in response to the rulemaking published January 3, 2006, at Federal Register, Vol. 71, No. 1, p. 49-69.

### **Executive Summary**

Tillman Wright implores the U.S. Patent & Trademark Office to forego the current proposed rulemaking. The proposed rulemaking will have a severely damaging economic impact on individual inventors and small businesses. Further, the proposed rulemaking sets arbitrary and capricious limitations on applicants for patent, and the proposed rulemaking fails to provide sufficient information for comprehension and adequate consideration by the public. Accordingly, Tillman Wright strongly opposes the current proposed rulemaking. Furthermore, if rules must be made by the U.S. Patent & Trademark, then Tillman Wright proposes changes to the proposed rulemaking that are tailored to, and better address, the stated goals of the proposed rulemaking.



**1. The Proposed Rulemaking Will Be Extremely Detrimental To Individual Inventors And Small Businesses**

Individual inventors and small businesses are dependent on the practice of filing continuing applications, i.e., continuations and continuation-in-part applications, in order to fully and completely protect their inventions. As a result, the proposed rulemaking would have a substantially negative economic impact on these applicants. Such applicants simply do not have the financial resources to file a comprehensive portfolio of patent applications all at one time. Rather, such applicants are forced to take a stepped filing approach in order to obtain comprehensive protection, whereby a single application is filed that contains a comprehensive detailed description and claims directed to that which is considered to be the most important aspect of the invention at the time of filing. Such applicants are then able to secure additional financing or realize profits on their inventions during the pendency of the first-filed application and, thereafter, file continuing applications securing protection on the additional aspects of the invention disclosed but not yet claimed. Through this strategically planned series of patent filings, applicants are able to defer the cost of obtaining comprehensive, meaningful patent protection and are better able to determine and define that which they desire to protect through the U.S. patent system. In essence, such applicants are able to sacrifice intangible patent term but are not able to spend tangible dollars at the time of the initial patent filing.

If the proposed rulemaking goes into effect, individual inventors and small businesses will be forced either to come up with a substantial amount of money for comprehensive patent filings prior to knowing whether their inventions actually will be commercially successful; or, alternatively, choose a bare minimum of disclosed, inventive aspects of their inventions to include in patent applications without knowing whether these particular aspects will be commercially successful and, in doing so, sacrifice other disclosed, but not claimed, inventive aspects of their invention.

Absolutely no justification is given in the proposed rulemaking for this extreme consequence to individual investors and small businesses. Moreover, this result of the proposed rulemaking appears to be *an incidental and accidental consequence* of the proposed rule making and, if true, it clearly reveals that the proposed rulemaking is overbroad and must be further refined to better address the intended goals of such rulemaking so as to avoid such extreme and unintended side effects to individual inventors and small businesses.

**2. The U.S. Patent & Trademark Office Currently Has The Authority And Means To Address Alleged Abuses Used To Justify The Rulemaking**

The U.S. Patent & Trademark Office asserts that “current practice allows an applicant to generate an unlimited string of continued examination filings from an initial application,” which “contributes to the backlog of unexamined applications before the Office.” The implication is that no legitimate business justification exists for such a string of continued examination filings.



While “an unlimited string” of continued examination filings certainly seems to be unjustifiable in theory, a large number of continued examination filings certainly cannot be deemed to be *per se* unreasonable or unjustifiable, and attempting to place a quantitative limitation on the number of continued examination filings that is applicable to all cases is simply arbitrary and capricious.

Moreover, to the extent that the statements and justification put forth by the U.S. Patent & Trademark Office are intended to mean that the U.S. Patent & Trademark Office is somehow powerless to stop an applicant from generating an unlimited string of continued applications as a matter of right, *then such statements and justification by the U.S. Patent & Trademark Office are completely false and untrue.*

In this regard, the U.S. Patent & Trademark Office already has the ability to effectively stop an unlimited string of continued examination filings. Specifically, § 2190 of the Manual of Patent Examining Procedure allows examiners to reject claims in an application on the basis of prosecution laches. Section 2190 cites In re Bogese, 303 F.3d 1362 (Fed. Cir. 2002), wherein the Federal Circuit “affirmed a rejection of claims in a patent application on the ground that [the] applicant had forfeited his right to a patent under the doctrine of prosecution history laches for unreasonable and undue delay in prosecution.” Thus, an applicant simply cannot generate an *unlimited* number of continued examination filings, as such a practice *per se* would constitute unreasonable and undue delay in prosecution.

### **3. Requests For Continued Examination Should Not Be Equated With Continuations And CIPs In The Proposed Rulemaking**

In the context of the proposed rulemaking, a request for continued examination (“RCE”) is simply equated to a continuing application or a continuation-in-part application (“CIP”). Both the RCEs, the continuations, and the CIPs are grouped together as continued examination filings. However, because the RCE is not equivalent to a continuation or to a CIP, the RCE should not be summarily included in the proposed rulemaking that is applicable to continuations and CIPs. The proposed unilateral limitations imposed on continued examination filings (i.e., RCEs, continuations, and CIPs) is arbitrary and capricious.

Unlike continuing applications and CIP’s, an RCE is a request for continued examination of the elected invention *currently under examination*. An RCE does not permit presentation of a non elected invention or species. Moreover, the RCE practice is critical in the process of continuing to resolve issues between the applicant and the Examiner so that, if and when an appeal is made, the issues requiring consideration by the Board of Patent Appeals and Interferences are crystallized and ready for BPAI consideration. Currently, as a matter of practice (whether or not in theory consistent with the rules), the second Office Action in an application simply is made Final by the examiner as a matter of course. In such cases, the RCE is the only viable mechanism in day-to-day practice for further advancing prosecution. In



contrast to the RCE, a continuing application or CIP may introduce completely new claims to different disclosed—but as of yet unclaimed—inventions.

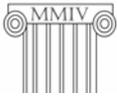
Clearly, the burden on an examiner in examining subject matter not previously claimed or considered is much higher than the burden inherent in merely considering new arguments or amended claims that, even though new or amended, nevertheless still relate to the elected invention of the previously-examined claims. RCEs thus are fundamentally different than continuations and CIPs and, as such, cannot reasonably be addressed summarily with continuations and CIPs in the manner that has been done in the proposed rulemaking. Reasons for attempting to limit the number of continuations and CIPs that may be filed by an applicant for patent do not equally apply in attempting to limit the number or RCEs that may be filed by an applicant.

Accordingly, the combination of the two—perhaps for expediency in the agency process—is arbitrary and capricious. The U.S. Patent & Trademark Office should, at a bare minimum, separately recognize, study, and address in new proposed rulemakings any rules that may limit the number of continuations and CIPs that an applicant for patent may file and any rules that may limit the number of RCEs in a particular case that an applicant for patent may file.

#### **4. The U.S. Patent & Trademark Office Has Provided Insufficient Guidance Regarding Facts That Will Support A Grantable Petition For Second Or Subsequent Continued Examination Filings**

The proposed rulemaking indicates that a continuing application filing may be made to obtain consideration of an amendment, argument or evidence that *could not have been submitted* during the prosecution of the prior-filed application. A petition must be filed with such continuing nonprovisional application and must contain a showing to the satisfaction of the Director that the amendment, argument or evidence could not have been submitted during the prosecution of the prior-filed application. However, the U.S. Patent & Trademark Office has provided very little guidance for applicants regarding what type of showing the Director will require in order to be satisfied that such amendment, argument or evidence could not have been submitted previously.

Examples of facts meeting the proposed standard have been *informally* presented by U.S. Patent & Trademark Office at town hall meetings where the proposed rule changes have been discussed. However, these examples obviously are not exhaustive of the facts that would support a sufficient showing, and the U.S. Patent & Trademark Office has provided no *formal* guidance for applicants. In particular, the proposed rulemakings themselves should provide such guidance in order for a proper understanding of the proposed rulemaking and subsequent consideration by the public.



Indeed, the “could not have been submitted” standard, as literally understood by Tillman Wright, is a standard that only can be met in rare cases. In this respect, any argument or amendment literally can be made by an applicant for patent prior to a Final office action. As such, the proposed standard at best is indefinite. For example, perhaps a “reasonably foreseeable” element is applicable to this standard; however, such an element should be literally set forth in the proposed rulemaking if such element is, indeed, part of the standard.

In any event, prior to effectively removing an applicant’s right to file more than one continued examination filing, as currently proposed, the U.S. Patent & Trademark Office should provide guidance in the proposed rulemaking in order for applicants to comprehend and properly consider what the U.S. Patent & Trademark Office is attempting to implement.

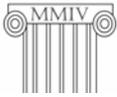
## **5. Mitigating Modifications To The Proposed Rulemaking**

Tillman Wright believes that the proposed rulemaking is misguided at best and, at worst, is extremely harmful to many important public policy goals, and the law firm urges the U.S. Patent & Trademark Office not to issue any final rulemakings based on the proposed rulemaking. Additionally proposed rulemaking is required.

Nonetheless, if the U.S. Patent & Trademark Office is bent on implementing such drastic and ill-conceived changes, then, at the very least, the proposed rules should be revised considerably in order to better address the stated-goals set forth in the proposed rulemaking. Although Tillman Wright believes it inappropriate to attempt to set forth detailed proposed revisions at this time, the following general comments are provided for consideration by the U.S. Patent & Trademark Office in view of the foregoing, grave concerns. Such revisions are believed to mitigate the sever damage that otherwise will be caused by the current rules as proposed.

### **a. Limiting Continuing Applications Only After Three Years**

If the U.S. Patent & Trademark Office must limit the number of continued examination filings, then a less arbitrary limiting should be established. Tillman Wright proposes that continuing applications (i.e., continuations and CIPs) be limited only after a certain period of time has passed following the first effective filing date claimed in the string of applications. It is submitted that an appropriate period of time would be three years, which is the “normal” pendency of a patent application in accordance with patent term adjustments. In other words, within the first three years of the first effective filing date, an applicant for patent should be permitted to file any number of continuing applications so long as such filings are not unreasonable and do not constitute an undue delay in prosecution. After this window of time, the number of continuing applications could be limited as suggested in the proposed rulemaking.



**b. Limiting When Final Office Actions Are Appropriate If RCEs Are To Be Limited**

In the event that RCEs remain in the proposed rulemaking, then the criteria for an examiner making a rejection “final” clearly should be changed. Presently, an examiner may make a rejection final as long as he or she does not introduce a new reference as a basis for introducing a new ground for rejection. Specifically, an examiner may make a rejection final *even if a new ground for such rejection is introduced* so long as the examiner has previously relied upon the reference on which the new ground is based. As such, an applicant may only address such new ground for rejection by filing an RCE, even when it is not necessarily the applicant’s fault that the examiner waited to bring up the new ground for rejection (this is sometimes referred to as “Examiner Sandbagging”). Under the proposed rulemaking, the applicant is unfairly limited in the response that can be made to the new ground for rejection. As such, if the proposed rulemaking is made final, then the rules further should be changed to require that a final rejection only be issued if the grounds for rejection that are made final were previously made or record by the examiner, i.e., a rejection should not be made final if a new reason or theory of the rejection is introduced by the Examiner without opportunity for response by the applicant.

**c. Examiners Should be Encouraged To Identify Patentable Subject Matter Whether Or Not Such Subject Matter Is Specifically Claimed**

Similarly to the practice of the European Patent Office, examiners should be encouraged to indicate to applicants subject matter contained within an application that is considered to be allowable *whether or not it is included in the claims*. More than any other rule change, this suggested rule change would reduce the backlog and pendency of patent applications. Furthermore, in the situation of individual inventors and small businesses, it is likely that a large percentage of examiners’ suggestions would be seen as a compromise and would be accepted without further comment.

As a whole, the proposed rulemaking indicates an increased emphasis on applicants bringing forward inventive ideas sooner rather than later, i.e., not holding back or failing to claim inventive subject matter upon initial filing of an application. The U.S. Patent & Trademark Office asserts that this practice will reduce the backlog of unexamined applications that currently exists. In view of this assertion and this increased emphasis for applicants, it seems only fair that such increased emphasis on bringing forward information in a more timely manner be likewise placed on the U.S. Patent & Trademark Office, and more particularly, on the examiners. After all, the U.S. Patent & Trademark Office should share the burden for expediting prosecution of applications.



**d. Representative Claims Should Be Limited To At Least Twenty Claims**

If an applicant must select representative claims, then the number of representative claims should be at least 20. The basic filing fee for a nonprovisional application includes up to 20 claims. Accordingly, the number of representative claims should be commensurate with the number of claims allowed under the currently existing basic filing fee structure.

**e. Any Final Rules Should Be Published Well In Advance Of Any Effective Date Of The Final Rules In Order To Provide A Sufficient Period Of Time For Adjustments To Be Made In Current Prosecution Strategies And Pending Applications**

A period of time before any new rules become effective should be given to applicants in order for applicants to make adjustments to current prosecution strategies and currently pending applications *after* such final rules are made known to the public. Since prosecution strategies and applications were formed prior to any such final rules, and because of the drastic and significant impact such rules are likely to have, equity demands that applicants be give such an opportunity to make adjustments once the final rules are published and known. Such adjustments cannot currently be made because of the speculative nature of the proposed rulemaking and the uncertainty in the outcome of the proposed rulemaking.

**f. Any Final Rules Should Only Be Proactive In Effect**

If the proposed rulemaking is made final, then the proposed rulemaking should only be proactive in effect and not retroactive, i.e., the new rules should apply only to applications filed after the effective date. In many, if not most situations, applicants with currently pending applications would have filed and prosecuted such pending applications completely differently if the proposed rulemaking were in place at the time of filing. Accordingly, it is exceedingly unfair to apply such dramatic changes to applications whose applicants did not have the benefit of proper planning for the sea change represented by the proposed rulemaking, and the U.S. Patent & Trademark Office should not penalize such applicants by retroactively applying the proposed rulemaking. Prosecution strategies simply were not developed in light of the proposed rulemaking and it would be enormously expensive and a great burden on applicants to overhaul currently pending applications in response to any final rulemaking.



# TILLMAN WRIGHT, PLLC

U.S. Patent & Trademark Office  
May 3, 2006  
Page 8

## **Conclusion**

Tillman Wright implores the U.S. Patent & Trademark Office to forego the current proposed rulemaking. If the new rules are to be finalized, then Tillman Wright implores the U.S. Patent & Trademark Office to change the proposed rules to lessen the detrimental impact such rules will have to individual inventors and small businesses. Any new rules should be just and fair to individual inventors and small businesses, and the U.S. Patent & Trademark Office should not shift unreasonable burdens onto applicants for patent simply because of the desire to reduce the large backlog of cases awaiting examination. The goals sought simply do not justify the means.

Respectfully submitted,

TILLMAN WRIGHT, PLLC

/Chad D. Tillman/  
Chad D. Tillman

U.S. Reg. No. 38,634  
For the firm