



**By Email**

May 24, 2016

Mail Stop Comments – Patents  
Drew Hirshfeld, Commissioner for Patents  
ATTN: Michael Cygan, Senior Legal Advisor  
Office of Patent Legal Administration  
P.O. Box 1450  
Alexandria, VA 22313-1450  
Email: QualityMetrics2017@uspto.gov

Re: Response to Request for Comments on Improving Patent Quality Measurement (81 Fed. Reg. 16142 (March 25, 2016))

Dear Commissioner Hirshfeld:

I submit these comments on behalf of Askeladden L.L.C. in response to the Office's request for comments on improving patent quality measurement.

Askeladden is an education, information, and advocacy organization dedicated to improving the understanding, use, and reliability of patents in financial services and other industries. Through its Patent Quality Initiative, Askeladden strives to improve patent quality and to address questionable patent holder behaviors. To this end, Askeladden is working to strengthen and support the patent examination process by making pertinent prior art more easily accessible and by providing educational briefings on the evolution of technology in financial services. Askeladden also files amicus briefs in cases involving issues critical to patent quality and petitions the United States Patent and Trademark Office to take a second look at patents under *inter partes* review (IPR) that it believes are invalid.

Askeladden is a wholly owned subsidiary of The Clearing House Payments Company L.L.C. The Clearing House Payments Company is owned by the largest commercial banks and dates back to 1853. The Payments Company owns and operates core payments system infrastructure in the United States and is currently working to modernize that infrastructure by building a new, ubiquitous, real-time payment system. The Payments Company is the only private-sector ACH and wire operator in the United States, clearing and settling nearly \$2 trillion in U.S. dollar payments each day, representing half of all commercial ACH and wire volume.

Askeladden and the financial services industry have a strong interest in promoting high quality standards in the patent examination process. Every year, America's financial services companies make significant investments to develop innovative technologies that are critical to the future growth of the U.S. economy. They rely on a strong patent system to protect those

investments. On the other hand, the financial services industry has been plagued for many years by patent litigation based on low-quality patents that should not have issued. Such patents, frequently asserted by entities seeking to extract payments based on the high cost of district court patent litigation, rather than the merits of their patent infringement case, are a major burden and a detriment to economic progress and actual innovation.

Taking both of those perspectives into account, Askeladden first wishes to express its support for the Office's continued focus on improving patent quality through the Enhanced Patent Quality Initiative, including this effort to critically review and reform metrics for measuring and tracking the quality of patent examination. Regardless of the specific form used to track quality metrics, Askeladden believes it is necessary to accurately measure the components of the patent examination process that directly contribute to the quality of issued patents in order to most efficiently identify and address areas for improvement as well as confirm best practices in the examination process.

However, even without the benefit of improved patent quality metrics tracking and analysis, Askeladden believes that its suggestions in its letter of May 26, 2015, if implemented, would support substantially improved patent quality. In particular, the Office should implement a single search interface, employing the latest search technologies, that searches the entire library of prior art accessible to the Office thereby eliminating the need for examiners separately access certain important prior art databases. In addition, the Office should implement a procedure to permit the public to submit prior art publications generally—not just for a specific case as permitted under 35 U.S.C. § 301—to the Office in order to maximize the comprehensiveness of the prior art library searchable through the single search interface. Collectively these enhancements would permit examiners to more successfully and efficiently identify the most relevant prior art leading to better patent quality. Given their immediate and certain impact, Askeladden urges the Office to prioritize these enhancements at the top of its list of patent quality initiatives.

With respect to patent quality metrics, Askeladden respectfully offers comments below on the Office's proposed approach for patent quality measurement and with respect to the three questions posed by the Office.

### **Overall Approach**

Askeladden agrees with several of the underlying aspects of patent quality measurement identified by the Office as essential for effective quality metrics. In particular, more granular metrics on individual aspects of the patent examination process are necessary to identify specific areas that require improvement and to formulate targeted remediation plans to address those areas. In addition, increasing the volume of work product reviewed to a statistically sufficient level is critical to ensure a fulsome and accurate understanding of quality in the patent examination process.

In addition, Askeladden strongly agrees with the Office’s view that “the clarity of the examiner’s determinations and the rationale underlying the decisions made in Office actions is an important part of overall patent examination quality.” 81 Fed. Reg. 16143. Indeed, clarity in patent examination is critically important not only to applicants and in connection with the issuance of high quality patents, but also to the public and those against whom patents may be asserted. To the applicant, the benefits of a clear record are immediate; if the applicant understands the reasons for the examiner’s actions during prosecution, it can more efficiently respond to them, either by clarifying why the claims as written are allowable, or by amending the claims.

But the more important benefits of a clear prosecution record are longer term. A detailed written record of the bases for the examiner’s determinations and the rationale underlying her or his decisions are critical tools in the fight against abusive patent litigation practices. This is because, while most applicants prosecute their claims in good faith and seek to obtain rights that cover only the subject matter they invented, many issued patents later come into the possession of unscrupulous entities who, for the purposes of proving infringement in litigation, frequently assert that the patent claims are far broader than the applicant or the examiner could have reasonably understood them to be during prosecution. However, where the prosecution record does not clearly set forth the examiner’s understanding of the meaning and scope of the claims, the key differences between the claims and the prior art, and the support for each claim in the written description, it is very time consuming and expensive for an entity accused of infringement to obtain that clarity. As a result, the most frequent outcome following the unjustified assertion of a patent that issued without a clear prosecution record is a cost-of-defense litigation settlement, in which the patent holder profits and defendant companies are deprived of resources that otherwise would have been put to productive uses, such as research and development for future products and services.

The Master Review Form—and its dual focus on statutory compliance and clarity—is an appropriate tool for gathering more granular data with respect to a greater volume of examiner actions. However, Askeladden provides suggestions below designed to better evaluate and measure the quality of prior art searches—the bedrock of any patent application examination—and to specifically track whether examiners document their interpretation and understanding of key claim terms during examination and whether examiners provide thorough reasons for allowance that clearly identify each element not found in the prior art of record.

### **Search Quality Measurement Enhancements**

In the notice, the Office states that substantive review of Office actions will include “the propriety of the examiner’s search.” 81 Fed. Reg. 16144. The Master Review Form includes five questions for gather data related to an examiner’s search:

1. Was a classification search recorded by the examiner?
2. Was an inventor name search recorded by the examiner?
3. Was the examiner’s text search logic recorded by the examiner?

4. Did the reviewer conduct a search?
5. Was prior art for the omitted rejection found using/in [bullet point options]

Master Review Form at 2. However, except for identifying the source of prior art for an omitted rejection, none of these questions delve into and track the quality of examiner searches. As a result, poorly crafted searches will not be identified and tracked under the Office's proposed metrics unless the reviewer identifies an omitted rejection.

Given that a quality search is very often the most important predicate to a high quality examination, Askeladden respectfully proposes expanding the Search section of the Master Review Form. In particular, Askeladden proposes adding several questions directed to evaluating whether an examiner's search complies with Office best practices similar to the search review performed under the First Action on the Merits (FAOM) Search Review that formed part of the Composite Quality Metric. The FAOM Search Review consisted of many search-related factors, not included in the Master Review Form, that provide important insight into the quality of the search. The Office's thoughtful work in developing the FAOM Search Review should be preserved and utilized through incorporation into the Master Review Form.

A more fulsome review and tracking of metrics for search quality may be used to identify and remedy search quality issues. For example, the data may indicate that less experienced examiners in a particular art unit often fail to search certain sources (e.g., non-patent literature) or fail to use terms with reasonable breadth to avoid excluding prior art. Upon identifying such a trend, the Office could implement a remediation plan to address the issue, such as implementing a process where less-experienced examiners in the particular art unit meet with a supervisory examiner to discuss and formulate a search strategy in each case.

### **Clarity Review and Measurement Enhancements**

As discussed above, a clear record providing the examiner's rationale—including the examiner's interpretation of central claim terms and a description of the inventive aspects not found in the prior art—is required to clearly apprise the public of the scope and inventive aspects of an issued patent. To that end, Askeladden proposes two enhancements to the Master Review Form.

First, Askeladden notes that the Master Review Form currently does not include an evaluation (other than in the context of § 112(b)-based rejections) of whether the examiner has clearly set forth her or his understanding of the claims' meaning and scope. However, Askeladden believes that it is important that the examiner document his or her interpretations of central claim terms he or she applied along with the basis of those interpretations. This practice would help avoid situations in which an examiner applies a certain interpretation during examination, but a patent holder later argues for a much broader interpretation for purposes of asserting patent infringement in district court litigation. Accordingly, Askeladden respectfully requests that the Office add to the "Other Quality-Related Items" portion of the Master Review Form the following questions under the subheading "Claim Interpretation":

Did the examiner describe her or his understanding of the meaning of relevant claim language in each Office action?

Did the examiner explain the basis for her or his understanding of the meaning of relevant claim language?

Did the examiner request that the applicant clarify the meaning of any claim language during prosecution?

If so, did the examiner require the applicant to set forth the intended meaning of the claim language clearly and unmistakably?

Relatedly, as set forth above, the “Allowable Subject Matter” subsection of the “Other Quality-Related Items” portion in the Master Review Form should be given considerable weight in measuring overall examination quality. Currently, however, the Master Review Form only tracks whether examiners provided reasons for allowance and whether those reasons “add substance” to the record. Askeladden suggests that the following questions be added to that subsection:

Did the examiner identify what prior art was considered to be the most relevant in her or his assessment of patentability for the allowed claims?

Did the examiner specifically set forth the way(s) in which the allowed claims differed from the prior art of record?

Did the examiner identify every claim limitation in each allowed claim that she or he believed is not disclosed in the prior art of record?

If not, did the examiner expressly state that each of the individual claim limitations is disclosed in the prior art of record and explain why she or he concluded that the claimed invention would not have been obvious to a person of skill in the art?

We believe that it is critical for improving overall examination quality that examiners be expected to articulate the answers to these very basic questions prior to issuing any patent claim.

### **Askeladden’s Comments on the Three Questions Posed by the Office**

In the notice, the requested comments on three particular questions related to measuring patent quality. Askeladden responds to those questions below.

**Question 1: Is the USPTO moving in the right direction by choosing to focus on two core metrics: a work product metric representing the correctness of actions, and a clarity metric that more thoroughly explores the sufficiency of the examiner’s reasoning in an Office action?**

Yes. This is the right direction for the Office. Requiring examiners to develop a clear written record of their analyses during examination results in the dual benefits of (1) reducing errors in examination itself, and (2) producing a useful record that can be used to properly

understand the scope of issued claims years later without the need for lengthy litigation. Askeladden would therefore like to stress that the clarity metric should be approached not only from the perspective of customer service to applicants or the integrity of the Office's patent allowance determination, but also from the (equally importantly) perspective of improving clarity of the scope of issued patents. This is consistent with the goals of other current initiatives. *See, e.g.*, "USPTO-led Executive Actions on High Tech Patent Issues," available at <http://www.uspto.gov/patent/initiatives/uspto-led-executive-actions-high-tech-patent-issues#heading-3> ("Patents with clearly defined boundaries provide adequate notice to help others avoid costly and needless litigation down the road.").

**Question 2: Which of the proposed clarity and correctness review items in the proposed standardized "Master Review Form" . . . should be used as the key drivers of patent examination quality metrics?**

Quality patent claims can issue only if they meet all of the statutory requirements. Accordingly, Askeladden does not believe that any particular statutory provisions should be given more weight than others in developing patent quality metrics.

Within each of the subsections of the Master Review Form for specific statutory requirements, however, those items that go to the thoroughness of the explanation provided by the examiner should be among the key drivers of quality metrics. Thus, in general, the "Clarity" items should be given equal weight with the "Correctness" items. Askeladden strongly believes that increased clarity will result in higher rates of correctness in office actions.

Finally, as indicated above, of all the items set forth in the Master Review Form, some of the most important are those items set forth under "Allowable Subject Matter" – i.e., whether the examiner set forth reasons for allowance and, if so, whether those comments added to the clarity of the record of why the claims were allowed. If the examiner has not set forth reasons for allowance, it should raise an immediate red flag with respect to examination quality, because if the examiner is unable to articulate why he or she allowed the claims, the claims should not have been allowed. Thus, Askeladden urges the Office to give these items special weight in developing patent quality metrics, and should expand upon them as suggested above.

**Question 3: How can patent metrics best provide objective, rather than subjective, measurements of quality-related features in clarity and correctness reviews?**

The clarity of the examiner's explanations for his or her determinations can be more objectively evaluated than correctness. A reviewer can objectively report, for example, whether the examiner's written Reasons for Allowance set forth specific reasons for allowing the claims over the prior art of record, or merely parrot back the entirety of the claim language. He or she can do so without making a potentially subjective determination regarding whether the examiner's reasons are valid or not. A reviewer can likewise objectively report on whether the examiner provides an explanation of *why* she or he is persuaded by the applicant's argument that

a specific prior art reference does not disclose a limitation of the claims under examination, or merely states that the applicant has overcome the prior rejection.

“Correctness” items, on the contrary, are typically more subjective and prone to error. In finding that a section 102 rejection was correct, for example, the reviewer may make the same mistake that the examiner made. Whether “all claims [were] properly treated” under § 112(b) can likewise be subject to debate. However, certain aspects of the correctness items may be reviewed and measured against objective criteria. For example, the FAOM Search Review criteria—that Askeladden suggests are incorporated into the Master Review Form—review the search against documented best practices.

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On behalf of Askeladden, I again wish to thank the Office for its diligence and careful consideration of all comments. Should the Office have any questions or would like to seek clarification of any of the points raised in this letter, I would be very happy to discuss further.

Respectfully,

Sean Reilly  
General Counsel  
Askeladden L.L.C.