

From: Winkler, Michael

Sent: Friday, February 01, 2013 11:51 AM

To: RCE outreach

Subject: ABA-IPL Comments Relating to Request for Continued Examination (RCE) Practice

Please find attached comments relating to Request for Continued Examination (RCE) Practice, submitted on behalf of ABA Section of Intellectual Property Law Chair Joseph Potenza.

Please feel free to contact us if there are any questions.

Thank you.

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February 1, 2013

**Via Electronic Mail****[rceoutreach@uspto.gov](mailto:rceoutreach@uspto.gov)**The Honorable David Kappos  
Under Secretary of Commerce for Intellectual Property  
and Director of the United States Patent and Trademark Office  
Mail Stop Congressional Relations  
P.O. Box 1450  
Alexandria, VA 22313-1450**ATTN: Raul Tamayo**Re: Comments regarding: *Request for Comments on Request for Continued Examination (RCE) Practice*, 77 Fed. Reg. 72830 (December 6, 2012)

Dear Under Secretary Kappos:

I am writing on behalf of the American Bar Association Section of Intellectual Property Law (the "Section") to provide comments in response to the request the United States Patent and Trademark Office (the "Office" or the "USPTO") published in the Federal Register 77 Fed. Reg. 72830 (Dec. 6, 2012) (the "Federal Register Notice"), entitled "Request for Comments on Request for Continued Examination (RCE) Practice."

These comments have not been approved by the ABA House of Delegates or Board of Governors, and should not be considered to be views of the American Bar Association.

The Section is generally supportive of the USPTO's efforts to reduce RCEs (especially multi-RCE prosecution), because of the effect on the patent application and appeal backlog. The Section supports the USPTO's efforts to reduce the number of RCEs that are necessary; however, the Section is concerned with the significant delay that is typical for the Examination of RCE applications. The Section emphasizes that the overall process for examination and grant of patent applications sometimes requires the filing of an RCE application to ensure the grant

of a patent having the broadest claims to which the applicant is entitled. Actions by the Office to limit RCE applications should not impinge on the Applicant's right to file an RCE application. Respectfully, the Section submits that in addition to actions to reduce the filing of RCE applications, the Office may improve examination efficiency through normal prioritization of RCE application to shorten the overall examination to grant process. The Section also believes that there are several structural features of USPTO examination practice and policy that drive most multi-RCE prosecutions.

Fundamentally, reducing the number of RCE applications requires increasing education of applicants and examiners, with appropriate incentives, for several specific steps:

- for *both* examiner and applicant to reach agreement;
- to consider issues with completeness, care, and precision;
- to disclose the information needed to reach agreement—it is particularly crucial that the party that bears the initial burden of going forward gives a fully-reasoned explanation and statement of bases; and
- to fully and carefully understand and consider each other's positions, with greater flexibility for examiner interview and claim amendment at final rejection.

The Section believes that the number of RCE applications could be significantly reduced through implementation of the recommendations we offer below. The Section's suggestions are generally focused on improving the quality of examination to ensure that every rejection is *always* procedurally complete.

The Section sought data and experiences from a broad spectrum of patent practitioners. The data are compiled in the responses to the USPTO's specific questions. Most of the suggestions generally fall within the four objectives outlined above.

***(1) If within your practice you file a higher or lower number of RCEs for certain clients or areas of technology as compared with others, what factor(s) can you identify for the differences in filings:***

Examiners and art groups that have lower RCE filings tend to have one or more of these characteristics:

- the first search is complete, and considers the specification as well as the claims, so that the art applied in the first action is likely to lead to conclusion;
- all explanations of rejections are complete, and apply the law correctly, so that the applicant either agrees with the examiner's view and amends to conclude prosecution, or can identify the precise point of disagreement so that the applicant can provide well-targeted arguments;
- suggestions of allowable subject matter and/or amendments are made - again, if the examiner's view is correct, prosecution concludes, and if the examiner's view is

incorrect, the suggestion helps clarify where the examiner perceives something different than the applicant;

- answers are provided for all material traversed; and
- MPEP Chapter 2100 or recent case law are consulted regularly, to ensure that their view of the law is correct, rather than relying on memory or the view of a colleague.

Several responses note that the After Final Pilot effectively enhances examiner education to facilitate productive progress toward agreement without the need for an appeal or an RCE application. The Section supports broader implementation of the After Final Pilot.

***(2) What change(s), if any, in Office procedure(s) or regulation(s) would reduce your need to file RCEs?***

Many Section responses cite examiner actions that may avoid or minimize the necessity for an RCE. The Section respectfully suggests that the USPTO consider updating examiner and supervisor metrics to encourage these actions and to reduce incentives for driving applications into extended RCE practice. For example, RCEs may often be avoided by an examiner's suggestion of claim amendments and/or identification of allowable subject matter. RCEs are less likely when the examiner issues second action non-final rejection for clarifying amendments, rather than rushing to final.

Often the need to cite new art (whether by the examiner or the applicant) and to have due consideration of that art necessitates the filing of an RCE. A number of members expressed frustration that new art is often cited by an examiner in a final office action, or the second action is automatically made final even if the applicant's actions did not warrant the final rejection. In addition to updated examiner incentives, a program allowing applicant submission of Information Disclosure Statements without filing an RCE, particularly in instances where the art was cited in a related, but not family member case and foreign applications in the same family, would decrease the number of RCE applications. Additionally, comprehensive searches embracing all embodiments of the claimed invention may minimize the need to cite additional art and serial prior art rejections.

Many responses from members of the Section note that the inability to conduct an examiner interview, enter clarifying amendments, and/or submit evidence after final rejection often necessitate the filing of an RCE. Several responses point out that a new rejection is often raised in a final rejection, necessitating an RCE application to enter necessary claim amendments and/or evidence to address the new rejections. The After Final Consideration Pilot should be made permanent to enable further examiner training to facilitate resolution of fairly minor issues and clarifying amendments to expedite allowance.

Finally, responses suggest that MPEP § 706.07(b) practice should be rescinded (or sharply limited), wherein the examiner's office action in an RCE application is made final, to facilitate resolution of issues without the need for yet another RCE application.

***(3) What effect(s), if any, does the Office's interview practice have on your decision to file an RCE?***

Generally, patent practitioners find examiner interviews to be helpful in the advancement of prosecution. The filing of an RCE application is more likely when an examiner interview request is refused. Responses suggest that examiner interviews before the first action and after the first office action, but before filing a response to the action are particularly helpful to expedite prosecution and minimize the need for an RCE application.

There is a perception that some art units have a policy to not grant an interview if a final rejection has issued, rendering an RCE necessary.

***(4) If, on average, interviews with examiners lead you to file fewer RCEs, at what point during prosecution do interviews most regularly produce this effect?***

Overall, the responses indicate that examiner interviews generally assist in the advancement of prosecution. Accordingly, there is a perception that the opportunity to conduct an examiner interview reduces the likelihood that an RCE filing will be required.

The most productive time for an examiner interview is either before the first action (to ensure that the examiner understands the claim language), or promptly after the first office action to clarify issues well before the final action. However, responses support that examiner interviews at any time before a final office action reduce the need to file an RCE. A number of the responses indicate that progress can be made after the application is placed on final, if the examiner is willing to consider clarifying amendments, evidence, and/or other clarification regarding a misunderstanding.

***(5) What actions could be taken by either the Office or applicants to reduce the need to file evidence (not including an IDS) after a final rejection?***

Members appreciate when the examiner telephones the attorney to indicate that they intend to either issue a final rejection or allow the claims.

The need to submit evidence could be reduced if factual assertions by the Office are properly noticed and supported by substantial evidence, and if an applicant traverses the examiner assertion, the examiner must provide compelling documentary evidence in the next office action if the rejection is to be maintained in accordance with MPEP §2144.03(C). Respectfully, Members report the need to file evidence after final because the Office improperly shifts the burden to the applicant to rebut an inadequately supported factual assertion, that is, factual assertions not supported by substantial or "concrete evidence." See also Zurko, 258 F.3d at 1386, 59 USPQ2d at 1697 ("[T]he Board [or examiner] must point to some concrete evidence in the record in support of these findings" to satisfy the substantial evidence test).

***(6) When considering how to respond to a final rejection, what factor(s) cause you to favor the filing of an RCE?***

There are generally 3 options for responding to a final rejection:

1. Abandon subject matter that the applicant believes to be an entitlement under law, This in turn has three sub-cases:
  - (a) terminal abandonment;
  - (b) take the allowed claims, and abandon the broader subject matter to which the application is entitled; and
  - (c) take the allowed claims and pursue the broader subject matter in a continuation
2. File an appeal, or
3. File an RCE.

Among these three options, applicants generally undertake cost-benefit analysis and tend to file RCEs in the following circumstances:

- when claim amendments are needed to differentiate over the prior art and address the examiner's positions;
- when new prosecution issues arise;
- when a declaration or Information Disclosure Statement is necessary;
- when more time is needed to gather data for an affidavit;
- when there is a desire to place the application in better condition for appeal; and
- when an advisory action indicates that proposed amendments trigger a need for further consideration/searching.

The likelihood that an RCE application will be necessary increases when the two months after final rejection date has passed.

***(7) When considering how to respond to a final rejection, what factor(s) cause you to favor the filing of an amendment after final (37 CFR 1.116)?***

ABA members are more likely to file an after final response under 37 C.F.R. 1.116, instead of an RCE, when there appears to be a reasonable path to grant of the patent. The need for an RCE filing diminishes when the practitioner believes that the rejections are reasonable to overcome, that the examiner is favorable to proposed amendment/evidence, and when proposed claim amendments and/or evidence are entered and considered after final rejection.

Practitioners representing small inventors indicate that the cost for an RCE may be prohibitive, leading to abandonment of the invention.

Practitioners often file an after final response instead of an RCE in the first instance to minimize the chances that the examiner may invoke MPEP § 706.07(b), rendering the first office in the subsequent RCE a “final” action.

***(8) Was your after final practice impacted by the Office's change to the order of examination of RCEs in November 2009? If so, how?***

Most practitioners indicate that the change of order does not change their after final practice; however, the significant delays in the RCE examination process make the filing of an RCE to be a “last resort.” The change in examination priority increases the likelihood of a new continuation filing or a notice of appeal to gain access to the appeal conference procedure. The responses reflect that filing a continuation may be particularly undesirable for an applicant that has accrued patent term adjustment in the pending application, and the necessity to file a continuation leads to more frequent abandonment of inventions for small inventors unable to absorb the cost for resubmitting amendments/evidence needed in the continuation.

The Section respectfully suggests that the docket reordering of RCEs implemented in the fall of 2009 should be rescinded, and pre-2009 docketing practices should be reinstated. Reconsideration cycles formerly taking two to three months now take well over a year. In that time, both the examiner and the applicant have forgotten previous agreements, issues, and the like. The 2009 re-docketing increases the likelihood that the application will be reassigned to a new examiner. A new examiner must start the examination without the benefit of prior interactions and the applicant’s attorney may have to refresh recollections. Section suggests that the pre-2009 docketing process can consolidate the overall examination time period by leveraging the memory and prior interactions of examiners and applicants. Applicants benefit when prosecution reaches a timely conclusion with either an allowance, or a rejection letter that fully explains the basis for rejection in a manner consistent with statute and case law.

***(9) How does client preference drive your decision to file an RCE or other response after final?***

Smaller inventors who are extremely cost constrained are less willing to file an RCE because of cost concerns, and are more likely to abandon an application due to prohibitive costs associated with an RCE.

Some clients working in rapidly changing technologies may value a particular patent less highly. These clients are more willing to abandon subject matter than incur the cost of an RCE or appeal.

Some clients do not want multiple filings to avoid multiple government fees (filing, maintenance). These clients prefer to file an RCE over a continuation in an attempt to secure a single patent grant, with only one set of fees.

***(10) What strategy/strategies do you employ to avoid RCEs?***

Member responses offer the following strategies to avoid filing an RCE in appropriate cases:

- Present multiple foreseeable fall-back positions in original dependent claims, including at least one claim that is drastically narrowed to achieve a notice of allowance;
- Conduct an examiner interview early in the prosecution process; or
- When possible, submit evidence in response to the first office action.

***(11) Do you have reasons for filing an RCE that you would like to share?***

Most RCEs arise for necessary and proper reasons because both applicant and examiner are conducting the patent process correctly; however, neither has perfect foresight or 100% complete knowledge. RCEs generally arise because:

- The examiner discovers prior art against the first set of claims, the applicant amends, and then the examiner discovers further art against the amended claims;
- Prior art arises from a foreign jurisdiction or otherwise comes to the attention of the applicant (or examiner);
- A new decision of the Federal Circuit or Supreme Court changes the law;
- The applicant needs additional time to develop convincing comparative data or other information that was not available before the six-month deadline; or
- Non-US patent attorneys, agents and foreign clients do not always fully appreciate the need to provide timely information or data to their US counsel, which, in turn, make an RCE necessary.

Patent practitioner responses reflect that filing an RCE is a last resort due to significant delay in prosecution and additional expense. An RCE may be filed when it is necessary to buy additional time to develop convincing comparative data or other information that was not available before the six-month deadline.

The Section applauds the USPTO's efforts to review RCE practice. The ABA-IPL Section believes that the overall pendency of applications, from examination to grant of a patent with appropriate scope, can be improved through enhanced education, refined examiner incentives, normal prioritization of applications, greater flexibility in the examiner interview and after final practice, resulting in fewer pending RCE applications.

The Honorable David Kappos  
February 1, 2013  
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If you have any questions on our comments or would wish for us to further explain any of our comments, please feel free to contact me. Either I or another member of the leadership of the Section will respond to any inquiry.

Very truly yours,

A handwritten signature in black ink, appearing to read "Joseph M. Potenza". The signature is fluid and cursive, with the first name "Joseph" being the most prominent.

Joseph M. Potenza  
Section Chair  
American Bar Association  
Section of Intellectual Property Law