

**From:**  
**Sent:** Monday, April 05, 2010 11:40 AM  
**To:** Stoll, Robert  
**Cc:** Todd Dickinson; Albert Tramposch  
**Subject:** AIPLA Comments on Quality Initiatives

Dear Commissioner Stoll,

Please find attached AIPLA Comments on Request for Comments on Enhancement in the Quality of Patents; 74 Federal Register 65093 (December 9, 2009).

Kindly confirm receipt of this email.

Many thanks, and best wishes,

Vince

VINCENT E. GARLOCK  
Deputy Executive Director

**AIPLA**

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April 5, 2010

The Honorable David J. Kappos  
Under Secretary of Commerce for Intellectual Property and  
Director of the United States Patent and Trademark Office  
P.O. Box 1450  
Alexandria, VA 22313-1450

RE: Response to Request for Comments on Enhancement in the  
Quality of Patents; 74 Federal Register 65093 (December 9, 2009)

Dear Under Secretary Kappos:

The American Intellectual Property Law Association (AIPLA) appreciates the opportunity to offer comments in response to the Notice Requesting Comments on Enhancement in the Quality of Patents. Comments are provided below on the Categories identified in the Notice and the areas of particular U.S. Patent and Trademark Office (“PTO”) interest also addressed in the Notice.

AIPLA is a national bar association whose more than 16,000 members are primarily lawyers and other patent practitioners in private and corporate practice, in government service, and in the academic community. AIPLA represents a wide and diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property.

AIPLA commends the PTO for taking a fresh look at the factors that affect examination quality and efficiency. The quality of U.S. patents is critically important to inventors, businesses, the investment community, and the public. Any time patents are issued that are of questionable validity, it reflects negatively on the patent system and the PTO, and undermines the confidence of businesses, consumers, and Congress. While the validity of such patents may be tested through post-grant processes, such as reexamination or litigation, these proceedings are expensive and time-consuming.

Thus, in addressing the problem before a patent is granted, it is essential that primary attention is focused on quality management processes and tools, most importantly those which lead to a reduction in errors made by the PTO in the first place. Efforts to assess or measure quality are often criticized as being “impractical,” due to lack of resources to make a complete assessment, or a lack of clarity in the law, or even differences of opinion about the “correct” answer. Such difficulties ultimately should not distract us from attaining the worthy goal of finding the appropriate quality management processes for improving the quality of the examination process.

Additional attention also should be given to the establishment of proper protocols for the examination process, and proper training of personnel so that comprehensive and timely examination can be conducted. New initiatives that test promising strategies should be undertaken and the cooperation of stakeholders sought where appropriate.

Finally, recognizing that quality is relevant at many steps along the path to a patent grant, the PTO should work with stakeholders, through public fora and on the basis of enhanced Office transparency, to define best practices for applicants, their attorneys, and even the public in helping to achieve greater quality in the work product of the PTO.

### **Category 1 - Quality Measures Used**

Few aspects of good quality management are as important as establishing appropriate metrics to measure both the quality itself and the progress that is being made toward a continuously improved quality standard. The PTO has identified tools now in use for monitoring the quality of examinations: (1) allowance compliance—monitoring patentability of claims and clarity of record; (2) in-process review—addressing whether randomly selected Office Actions are complete, clear and appropriate; and (3) quality index ranking—using internal statistical measures (e.g., number of RCEs or non-final actions) to identify anomalies that should be investigated. These factors should, if administered competently, assist the PTO in identifying systemic shortfalls in its training and/or supervision. Information gathered in systematic ways should be used in conjunction with information from other sources (e.g., petition and Board decisions, results of reissue/reexamination or court/ITC proceedings, complaints regarding performance) to identify areas of practice and/or people requiring closer attention.

Among the challenges with these procedures for reviewing Examiner's work, either in process or at the time of allowance, is the accuracy and reliability of the person doing the review and how much time is devoted to the review process. While the PTO has used appropriate procedures to evaluate the quality of examination products, one key problem lies in the quality and consistency of the work of those performing the review. The quality and consistency of their work is affected by their knowledge, skills and abilities, and the time and resources available to accomplish the expected result. An important factor for improving examination quality, therefore, would be to improve the overall knowledge, experience, and judgment of those in training and supervising roles so that quality is monitored and measured in a more effective way. This is a huge challenge as the examining corps is expanding to address the ever rising workload, but it remains a critical determinant and measurement of examination quality.

One specific area of practice that is often mentioned as requiring serious attention is restriction practice. Decisions by the Office on restriction, in many cases, do not follow proper restriction practice as set out in the Rules. See, e.g., 37 C.F.R. 1.475. For example, the differences between national restriction practice and the international unity of invention practice is not evidenced in many decisions.

While this is not a new problem, experience has shown that when the PTO pays proper attention to its training materials and supervision and management relating to restriction practice, significantly greater compliance and uniformity can be achieved. See 1053 OG 5, Restriction Practice Survey II (1985), reporting a 36% decline in restriction requirements as a result of training, closer supervision and management oversight. Restriction practice petition decisions should be posted in the FOIA Reading Room, and simultaneously made searchable online. Much of the effort and resources devoted by PTO Examiners and applicants to restriction practice could be better spent on more substantive examination issues. Perhaps the Ombudsman program can be used to help address this issue, but a larger intervention is more likely needed.

### **Category 2 – Stages of Monitoring**

The PTO has identified 8 stages for possible monitoring of examination work and has requested comments on the choice and practicability of measuring quality at each one of these stages. As any objective supervisor would understand, the choice and practicability of each step is going to depend largely on the circumstances and the individuals involved. Some monitoring of examination work should take place at each stage simply to obtain information on the overall quality of the examination process. Each stage can be very important, depending on the circumstances.

A complete first action is among the most important stages to monitor. It should reflect the result of a complete search of the prior art, treatment of all pending claims, and a clear explanation of any allowance, rejection, objection, or requirement made including claims affected, statutory or regulatory basis for the action, and supporting rationale. A first action that is complete, e.g. based on the best prior art available and a complete analysis of other statutory requirements (e.g. Section 112 issues), is one of the surest steps the PTO can take to improve the quality of examination and reduce pendency at the same time.

Interviews have been repeatedly mentioned as an effective tool for improving communications and understanding between the Examiner and applicants. Some practitioners have had very favorable experiences with pre-first Office Action interviews for the purposes of discussing the invention and improving the understanding of claim scope. Having a better understanding of the invention and claim scope can assist the Examiner in performing a more focused search and may aid in facilitating a more efficient, high quality examination.

The large gaps of time between written communications in the examination process can be inefficient, and may detract from resolving the issues that could be eliminated by direct interaction through a personal or telephone interview. Examiners and practitioners can actually save time through these personal interactions, as they can resolve issues faster or at least shape the issue that needs to be resolved by appellate review. Many of our members have commented on the positive change in attitude of many Examiners toward a willingness to conduct interviews and the constructive focus of their participation. The Office is commended for this positive development.

Second or subsequent actions that are not final may be an indication that the first Office Action is not complete, or may indicate that applicants have significantly changed what they regard as their invention. Many of these types of actions may warrant closer review or investigation, but they should not be regarded as problematic per se.

Monitoring of final Office Actions, can be very important, again, depending on the circumstances. If an Examiner has a poor affirmance record at the Board, or appeals are stopped as a result of appeal conferences or panel decisions in a pre-appeal brief conference, closer attention should be paid to the content of final actions by that Examiner before they are mailed.

A model for such a review is now practiced in the Reexamination Unit where a panel of Examiners reviews and approves the action before it is mailed. It is important that the panel be objective and not dominated by the Examiners who authored the Office Action. Some applicants are discouraged from using the pre-appeal brief conference opportunity when the Examiner is an assistant Examiner because they believe the conference panel is already dominated by the assistant Examiner and his or her supervisor so the result would be predictable, echoing the prior action and not based on an objective review. Applicants should be able to participate, at least by telephone, in these panel discussions. A pilot program may be appropriate to test user participation.

Appealed cases can be reviewed in a pre-appeal brief conference and after an appeal brief is filed. It is our understanding that prosecution is reopened in about one-third of the appealed cases reviewed in an appeal conference. This results in allowance in some cases, and is an appropriate vehicle for quality, and should be maintained. Nonetheless, the reopening of prosecution represents a significant waste of Examiner and applicant resources if it could have been avoided at an earlier stage. The PTO should review the reasons for reopening, publish the results of that review, and take appropriate steps to reduce instances of reopening that are caused by Examiner action or omission. It would be informative for the PTO to publish its statistics on pre-appeal brief and appeal conferences on a technology center and group basis.

### **Category 3 – Pendency**

The PTO has questioned whether the quality of prosecution, examination and patent grant can be improved while at the same time reducing overall pendency. Yes, it can, but not in all cases. Patent applicants have different motives for seeking patent protection, and operate in different industries and different product cycles. Some applicants need a strong patent that is issued quickly because technology develops rapidly or because they need investment capital that can best be attracted after obtaining exclusive rights. Others might prefer deferred examination, particularly if it does not cause a reduction in patent term adjustment opportunities, because they have not determined which part of the invention is going to be important, or because the market for the protected product develops more slowly or is subject to regulation by other agencies.

The flexibility afforded applicants by continuing applications and requests for continued examination does not detract from the quality of prosecution and examination, but it can adversely affect its efficiency. These procedures are often necessary to obtain the full scope of protection for an invention, either because of the difficulties in getting the Examiner to understand the invention, technology, or applicable legal principles, or because the applicant has not identified what is really important, namely the appropriate claim scope and evidence of patentability that should be rewarded with a patent.

#### **Category 4 – Pilot Programs**

AIPLA strongly supports the use of pilot programs by the PTO to identify and develop practices that can contribute to improvements in examination quality and efficiency. Positive contributions have already been made by programs such as the Peer-to-Patent pilot, pre-appeal brief conference pilot, and first action interview pilot. We are not aware of any information on the cost of maintaining these programs, but that should be a factor in determining the overall value of each of these pilot programs. The Continuing Education for Practitioners (CEP) Pilot offers a useful vehicle for offering education and guidance to registered practitioners, particularly when new policies and practices are implemented.

#### **Category 5 – Customer Surveys Regarding Quality**

Customer surveys directed to institutions and firms that file a large number of applications can be useful for identifying general reactions to survey questions. Opinions are often affected by critical incidents, either good or bad, and it can be difficult to gauge the accuracy of these general reactions. Some members believe that more accurate and precise information can be obtained by a spectrum of surveys addressed to individual cases.

#### **Category 6 – Tools for Achieving Objectives**

An improved classification system would be a significant tool in meeting the objectives of application and patent quality.

#### **Category 7 – Incentives**

The PTO has requested comments on means to incentivize applicants and PTO personnel to adopt procedures and practices that support the achievement of patent quality. Applicants who are interested in a quality patent are already incentivized to spend the resources commensurate with the value placed on the patent to protect their interests. PTO personnel are incentivized by the opportunities for recognition in their performance reviews, awards, and advancement for outstanding performance.

Areas of particular interest to the PTO were identified as follows:

1. Prior Art

The PTO has requested comments on ways to improve the performance of Examiners in identifying relevant prior art as well as ways to measure success of identifying relevant prior art. Many practitioners commenting on this issue regarded identification of the most relevant prior art as among the most important factors in obtaining a quality patent. The issue is addressed in almost all third party-initiated reexamination proceedings and litigations where the validity of patent claims is challenged. Significant resources often are devoted to whether the best prior art was before the PTO. Even where new prior art is identified, it may require the action of the courts to determine whether it was good enough to render a claim unpatentable.

It is necessary to place some practical limits on the extent of efforts that will be made to assess the PTO's success in identifying relevant prior art. These efforts also will be impacted by the qualifications—technical, legal, and linguistic—of the individuals doing the assessment. The efforts already initiated by the PTO to seek the cooperation of other major patent offices in Europe, Japan, China, and Korea have the potential to identify the best prior art applicable to a particular invention. However, it should be emphasized to Examiners that all of the prior art identified in searches performed in the international stage should be reviewed when examining an application. We also encourage the Office to develop a system for automatic access to citations of prior art documents from other patent offices for corresponding applications.

2. Comprehensive Initial Application

The PTO has solicited comments on guidelines that the PTO can disseminate to best assist applicants in preparing applications that can most efficiently be examined, and how the completeness of filed applications can be measured. Many applicants prepare applications for filing in many countries and regions of the world. The preparation of these global applications is often guided by the specific requirements and practices of the office of first filing. It would assist applicants and ultimately the other patent offices to agree on a common format and practices so that specifications and claims accepted in one part of the world would also be accepted internationally. We note that the Trilateral Offices have agreed to a “common application format (CAF)” that provides certain benefits to users when adopted. The availability of a downloadable template for such format, along with embedded guides or suggestions, may aid uniform adoption of the CAF.

The treatment of multiple dependent claims dependent on other multiple dependent claims is an easy example. This type of claim is acceptable in most other countries and regions, but it is not examined in the U.S. pursuant to 35 U.S.C. § 112, paragraph 5.

Unless these claims are revised in the U.S. application before examination begins, they will not be examined and the efficiency of the examination process is adversely affected. Greater uniformity in application requirements would benefit both applicants and the PTO.

3. Comprehensive First Action on the Merits, With Clear Explanation of All Issues

Comments are solicited on the aspects of the initial Office Action that will enhance quality and how the success of PTO communications can be measured. The importance of a good search of the prior art has been discussed above. It is also important that Examiners focus on substantive aspects of the examination process and not waste time correcting misspelled words in the specification, or modifying an Abstract because it contains a “legal” term like “said”, or identifying a numeral in the drawings that is not discussed in the specification unless these minor errors adversely affect an understanding of the disclosure and claims.

The substantive aspects of examination evaluate whether the application and claimed invention comply with all statutory and regulatory requirements for obtaining a patent. Many Examiners produce a comprehensive Office Action that provides all the necessary information for clearly communicating the position of the Office and reasons supporting that position. Those who sign Office communications that do not meet that standard either do not know the facts, law, or procedure well enough to reach a proper decision, or have not devoted the time necessary to make correct determinations or communicate clearly the position of the Office. Finally, where there are clear errors or omissions in the statement of a rejection, the Office should incentivize prompt identification of them to the Examiner, so that a corrected or clarified Office Action can be issued.

4. Comprehensive and Clear Response to Office Action on the Merits

The PTO has requested comments on what guidelines the PTO can disseminate to best assist applicants in preparing responses that can most efficiently and completely resolve issues, and bring the examination to a rapid, yet comprehensive conclusion, and how the success of the guidelines can be measured. The recent emphasis and willingness of most Examiners to participate in a constructive way during interviews should facilitate a common understanding between Examiner and applicants of the claimed invention and issues arising during examination.

The apparent desire of the PTO to receive all evidence to address an Examiner’s position as early as possible, and at least before final Office Action, may well be an appropriate prosecution strategy in reexamination or where an applicant seeks a patent as soon as possible, but is neither practical nor is it advisable where time is not critical and where an applicant seeks to obtain patent protection without creating any unnecessary prosecution history estoppel.



The luxury of continuing prosecution practice through continuations and requests for continued prosecution simply makes it unnecessary to make all arguments and present all evidence as soon as possible where much less may be sufficient to persuade the PTO of patentability.

#### 5. Proper Use of Interviews

Comments have been solicited on how to improve the interview process to resolve issues and to make the full substance of the interview of record, and how to measure the effectiveness of the interview and the completeness of the recorded summary. Interviews can be most effective when attended by someone who has authority to make final decisions. Examiners are sometimes handicapped by the unavailability of a primary Examiner familiar with the application and practitioners are handicapped by needing client approval for changes made to the claims.

In addition, the interview process would be enhanced if Examiners would prepare specific claim amendments that they think would overcome the prior art or resolve indefiniteness issues, and be prepared to suggest them to the Applicant at the interview, in cases where it would serve to efficiently advance prosecution. Despite these handicaps, interviews are considered very effective tools by Examiners and practitioners alike for improving communication and understanding and making the examination process more efficient.

At the same time, prosecution file histories where an interview has taken place are often found deficient in providing a record of the reasons for reaching the results of the interview. Consideration should be given to ways in which a useful summary of the results of an interview, and the reasons for reaching those results can be put into the record, without necessarily requiring a verbatim recordation.

We appreciate the opportunity to provide these comments on enhancement of the quality of patents and would be pleased to answer any questions that our comments may raise. We look forward to participation in the continuing development of practices and procedures for measuring and improving the quality of patent examination.

Sincerely,



Q. Todd Dickinson  
Executive Director  
AIPLA