

From:

To: Stoll, Robert; Bahr, Robert

Cc: Kasper, Alan J. <akasper@sughrue.com>; Todd Dickinson <tdickinson@aipla.org>

Sent: Wed Jun 23 15:29:54 2010

Subject: AIPLA Letter on Enhancement in the Quality of Patents and Metrics

Bob and Rob,

On behalf of AIPLA President Alan Kasper, please accept the attached letter in response to the USPTO's Request for Comment on Enhancement in the Quality of Patents and on the USPTO's Patent Quality Metrics (75 Federal Register 22120, April 27, 2010).

I would appreciate it if you would acknowledge receipt of this submission and thank you in advance for considering our views.

Regards,

Vince Garlock

June 23, 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

Response to Request for Comments on Enhancement in the Quality of
Patents and on United States Patent and Trademark Office Patent Quality
Metrics
75 Federal Register 22120 (April 27, 2010)

Dear Under Secretary Kappos:

The American Intellectual Property Law Association (AIPLA) appreciates the opportunity to offer further comments in response to the above-referenced Notice Requesting Comments on Enhancement in the Quality of Patents and on United States Patent and Trademark Office Patent Quality Metrics (the “April 2010 Quality Notice”). AIPLA also appreciates the opportunity given to participate in a first roundtable held on May 10, 2010 in Los Angeles, California and a second roundtable held on May 18, 2010 in Alexandria Virginia. The comments provided below are supplemental to the AIPLA Response of April 5, 2010 to the first Request for Comments on Enhancement in the Quality of Patents (74 Federal Register 65093 (December 9, 2009)) (the “December 2009 Quality Notice”). These additional comments are provided with respect to the draft U.S. Patent and Trademark Office (“PTO”) patent quality metrics that were posted on the PTO’s website, and issues raised at the roundtables.

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 the initiative and creativity applied in (1) preparing a draft Preliminary Report that organized and summarized the public comments submitted in response to the December 2009 Notice and (2) quickly preparing six proposed metrics categories for comment, seeking stakeholder comment and suggestions with regard to the proposed metrics and setting an aggressive schedule for further developing, refining and establishing metrics that can be applied to the evaluation of quality in the patenting process. We look forward to this initiative continuing on an aggressive schedule, and to our continued participation in the process. This initiative has the potential to serve as a basis for global standards for measuring quality in the patenting process, for continually testing and refining the measures of quality and for establishing best practices among users, Offices and the public that will ensure a highest level of quality and confidence in the patent system.

A. The Definition of Quality

As an initial matter, we note that the Preliminary Report includes a definition for “patent quality” that has three factors: (1) actions which increase the likelihood that claims granted by the PTO are legally valid, (2) actions which reduce the likelihood that valid claims are not improperly rejected by the PTO, and (3) actions which increase process efficiency and reduce overall application pendency.

In general, we support the combination of both substantive and procedural factors in a consideration of quality. However, we are concerned that the definition, as phrased, may not

provide the most relevant guidance for all of those having a shared responsibility for the vitality and integrity of our patent system, including users, inventors, practitioners, the PTO and the public at large.

First, we suggest that limiting the definition to “patent quality,” with an inherent focus on the claims granted, may place too much emphasis on the downstream aspects of the patenting process, well after critical steps that impact on quality are complete. While concerns with quality in the past have been focused on the quality of issued patents, largely because only the granted patent provides an exclusive right that can be the basis for litigation, we believe that the PTO should place greater emphasis on quality in connection with the filing and prosecution of patent applications. Such “quality” includes the quality of a patent application, including its form and content, as well as the quality of the examiner’s search and examination and the applicants’ responses. Thus, we encourage the measure of quality to extend beyond the application prosecution process itself and to include both pre-filing and post-issuance activity, making the definition more appropriately, concern “quality patents and patent applications.”

Second, focusing quality on “valid claims” may be too narrow, as often, issued claims that are “valid” and enforced in the courts nonetheless are considered to be “low quality” because the supporting description is marginal or the claim language is somewhat ambiguous, though not to a fatal extent. The focus may more appropriately be on the “quality of a patent right,” which may include as factors the quality of the patent application as filed, the quality of the examiner’s search and examination, including appeals, and the quality of post issuance proceedings, including reexamination and reissue proceedings. The process for achieving a quality patent right is one that is (1) iterative, with activity prior to filing, during prosecution and after issue, (2)

cooperative and (3) adversarial at times. Thus the quality of a patent right extends beyond validity and includes the concepts of predictability and legal stability.

Third, a focus on “actions” also may be too narrow, as it appears to concern only procedural and transactional aspects without considering infrastructure, training, worksharing and cultural factors that have a direct impact on quality during prosecution.

In our view, quality would be enhanced when there is an appropriate combination of both substantive quality and procedural quality that involve the Office, applicants and the public. Substantive quality is achieved when (1) all relevant prior art has been considered by the PTO, (2) the specification meets the legal requirements for description and enablement, and (3) the claims are clear, concise and fully supported by the specification and are unambiguous. Substantive quality may be achieved during prosecution of a patent, but at times also may require reconsideration during post grant proceedings where additional prior art is considered and claims are clarified. Procedural quality can be achieved where all relevant procedural requirements that affect patentability have been met and the application has been processed promptly, accurately and efficiently to issue.

Core to substantive quality is the prior art search, the importance of which cannot be overemphasized, coupled with highly competent analysis of the art and the application during examination. However, given the dynamic and independent processes of innovation in any given technology that take place concurrently around the world, we recognize that, as a practical matter, especially in view of existing limitations on the patent search and examination process due to differences among Offices in law, language and procedure, inadequacies of infrastructure and human factors, the achievement of quality as an absolute matter may be elusive. During the

several stages that a patent may pass, from the day that the original application is filed, to the day that the patent expires, the issue of validity over the prior art is likely to remain open. Thus, the quality of the patenting process and the resultant quality of the patent right at any given point in time may be achieved only as a relative matter.

Nonetheless, it should be a primary task during the examination process to ensure that the description and enablement requirements for an application are fully met, and that the claims are clear, concise and effective in defining over the available prior art. And as to the prior art, the achievement of absolute quality for the patent right should be the goal, even if not attainable today, that drives investment, training and procedural initiatives for the patenting process.

These efforts towards quality are the ones to be measured, and consistently modified on the basis of the feedback from that measurement effort.

B. The Metrics of Quality

The PTO has proposed a composite quality metric that includes six individual metrics, including (1) final disposition error rate, (2) in-process review error rate, (3) complete application process review scoring, (4) quality index review scoring, (5) customer survey data, and (6) examiner survey data.

The final disposition error rate and the in-process review error rate, which correspond to the measures the PTO currently has in place, are intended to measure whether the action (allowance or other Office action) taken is an action that a reasonable Supervisory Patent Examiner (SPE) could have permitted. We note that this error rate is performed by random sampling of PTO actions that allow or finally reject an application and treat errors in final

decisions to allow and errors in final decisions to reject an application in common. We believe this expanded measure of a final disposition error rate with regard to the quality of the end product of patent examination is an appropriate metric. The in-process review error rate, which also is performed by random sampling of PTO actions that are not final actions or allowances, is also an appropriate metric since it includes the propriety and completeness of the rejections, the completeness and clarity of the Examiner's responses, the propriety of restriction requirements, the quality of a search and the propriety of the treatment of formal matters. While each of these may have different importance in the examination process, they all are indications of the quality of examination and should be measured.

We believe, however, that the PTO should look at increased granularity with regard to the categories of review, particularly as experience is gained with initial quality measurements and additional quality issues are identified. Further, while random sampling of applications historically has been applied in the measurement of quality, a more focused selection process may yield more relevant results. For example, applications that have been identified by their own applicants or attorneys as having quality issues could be the subject of targeted review, thereby quickly addressing the more specific issues of quality during examination. In order to avoid problems in perception and management, an anonymous or blind protocol that permits the applicant or its attorney to identify such applications during the examination process, for example, at the time of filing a Response to an Office Action, could easily be fashioned.

The third and fourth measures of quality, which are intended to address specific features of the prosecution process and offer a more intensive review of a random sample of applications and provide a complete review of activities in all applications in a manner that complement the first measures of quality, are new proposed metrics. The complete application process review

scoring is intended to review applications chosen by the random sampling of applications that are currently undergoing examination with a view to allowing feedback to Examiners on an application-specific basis concerning issues not currently measured by the in-process or final disposition reviews. This review would score individual applications based on their compliance with best practices at the PTO, including compliance with statutory requirements, MPEP guidelines and compact prosecution principles. Each measured factor would be weighted with regard to its impact on examination process. Here again, the initial proposal is appropriate but further granularity and selectivity may be added based upon experience and feedback in an initial pilot program. Again, a blind protocol that precludes an identifiable relationship between the review and a specific application is essential.

The proposed quality index report, as a new measure based on data currently available through the PTO patent application locating and monitoring (PALM) internal tracking system offers significant advantages and appears to have great promise. The PTO identified three prosecution events that may be indicative of quality concerns, including (1) actions reopening prosecution after final rejection, (2) second action non-final rejections and (3) filing of Request for Continued Examination. Additional activities that may be monitored from the global data available to the PTO would include restriction practice, interview practice and its timing, and the use of pre-appeal submissions.

The fifth and sixth measures of quality include customer surveys, which would measure a customer's perception of the quality of the decisions on allowed patents, the perception of the quality of rejections made on a first action on the merits and the perception of the quality of final rejections that were made. As stated in our previous letter, customer surveys are not likely to be of great value, largely because they are not application specific and tend to be influenced by

individual recent events and experiences rather than general trends. Even general trends are not likely to provide valuable feedback for modification of the patent process in order to achieve greater quality, although they may be useful in providing a mechanism to obtain positive perceptions from users, which would not be provided by a more targeted complaint mechanism. Similarly, Examiner surveys of Applicant trends may not be of great value but more targeted input, which would gather information from examiners about the quality of applications, responses, interviews and the like, without affecting the integrity of the file wrapper and associative legal rights, would be of greater value.

C. Additional Recommendations During Roundtables

A number of other recommendations were made during the roundtables that could affect both substantive and procedural quality.

Reference Characters in Claims - One recommendation is the adoption of policies, coupled with appropriate legislation, that would permit the use of reference characters from the specification in claims. Such correlation between the disclosure and the claims is essential to the achievement of substantive quality. This practice is common in other Offices and is recommended by the Industry Trilateral as an appropriate cost saving practice that would aid examiners, the public and applicants in correlating the claims to the specification. However, the problem with estoppels and the risk of narrow claim interpretation that can result must be avoided by appropriate legislation to preclude such impediments.

Pre-Examination Advisories - A further suggestion includes the use of pre-examination/post-filing review of applications to determine whether they contain claims that may raise issues during examination, coupled with advisories to applicants recommending voluntary

pre-examination amendments. This recommendation would enhance procedural quality in the examination process. Those issues, which could easily be identified by non-examining personnel, include the following:

- Improper Multiple Dependent Claims - recognizing that more than 50% of the applications filed with the PTO have foreign origin and are filed on the basis of the foreign priority application or PCT application without amendment, the claims are likely to include multiple dependent claims that are proper in other Offices but improper under current U.S. practice. Improper multiple dependent claims are not examined in a first Office Action, but are subject to objection and later examined after the improper multiple dependencies are removed. The presence of such claims extends and complicates prosecution, and applicants may be willing voluntarily to amend such claims into proper form.
- Restrictable Claims – often a submitted claim set that has been prepared for a global application includes a combination of method and apparatus claims, or a combination of system, subsystem and component claims that are likely to receive a restriction or election requirement prior to substantive examination. Applicants may be willing voluntarily to restrict submitted claims to one category of invention, provided that rights under 35 USC 121 are not waived.
- Means Plus Function Claims – again, a submitted claims set from a global application may include means-plus-function claims or step-plus-function claims. Such claims raise issues with respect to proper correspondence to the specification

and even statutory subject matter. Applicants may be willing voluntarily to delete or amend such claims into a different form prior to examination.

- Statutory Subject Matter - claims that are directed on their face to possibly improper statutory subject matter, such as “a computer program,” may not be searched and examined, but simply subject to objection or rejection under 35 USC 101. Applicants may be willing voluntarily to delete or amend such claims into a different form prior to examination.

Claims in the foregoing categories, or others that raise similar pre-examination issues, may be easily identified during preliminary processing by non-examining staff who could advise Applicants, using a simple checkbox form, that such claims may be objectionable and that Applicants may wish to amend the claims voluntarily prior to formal examination so that unnecessary rejections or delays or communications may be avoided. Such program could be tested on a pilot basis and, if implemented across the board, subject to appropriate metrics so that accuracy and quality would be ensured.

Collaborative Best Practices – A final suggestion is that the PTO, users and organizations work together to develop best practices relative to the preparation and prosecution of applications, including the provision of appropriate tools, education and incentives. Such effort would lead to enhancements in both substantive and procedural quality. Many corporations already have developed standards for the drafting of high quality applications, and certain industry and user groups are in the process of developing similar recommendations. The PTO could serve as a catalyst to bring diverse interests together in a focused effort to develop a set of

user-defined best practices that would enhance the quality of application preparation and processing.

On the basis of the foregoing, AIPLA looks forward to additional opportunities to participate in quality roundtables and discussions with the PTO.

Very truly yours,

A handwritten signature in black ink that reads "Alan J. Kasper". The signature is written in a cursive style with a large initial "A" and "K".

Alan J. Kasper
President
AIPLA