

**From:**

**Sent:** Tuesday, June 01, 2010 7:12 PM

**To:** extended\_missing\_parts

**Subject:** Comments on Change to Missing Parts Practice. 75 Fed Reg. 16750

Attached please find the comments of the Texas A&M University System on the proposed change to Missing Parts Practice published at 75 Fed. Reg. 16750.

*Lynn*

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## THE TEXAS A&M UNIVERSITY SYSTEM

Office of General Counsel

June 1, 2010

By Internet to: [extended\\_missing\\_parts@uspto.gov](mailto:extended_missing_parts@uspto.gov)

Attn: Eugenia A. Jones  
Senior Legal Advisor  
Office of Patent Legal Administration  
Office of the Associate Commissioner for Patent Examination  
Mail Stop Comments – Patents  
Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA, 22313-1450

Re: Comments on proposed Rule Changes, “Change to Missing Parts Practice.”  
75 Fed. Reg. 16750-16752 (April 2, 2010)

Dear Ms. Jones:

These comments are presented on behalf of the Texas A&M University System (“System”) in support of the USPTO’s request for comments on proposed rulemaking to extend the period of response to missing parts in non-provisional applications claiming priority to provisionals. The System generally supports the proposal and offers further suggestions that are considered beneficial to university commercialization of inventions through the patent system.

The System is one of the largest systems of higher education in the United States, with a statewide network of eleven universities, seven state agencies and a comprehensive health science center. The System has almost 27,000 faculty and staff, many of which participate in externally funded research. Expenditures for such externally funded research exceeded \$730 million in 2009. Commercialization, and thus effective development and public utilization of System innovations, is effected through the System’s Office of Technology Commercialization (“OTC”). Attributable in part to the time it takes to locate potential licensees for new technologies, approximately 36% of the patent applications currently managed by the OTC are licensed, while 61% of issued patents are licensed.

Over the last 5 years, the OTC has filed approximately twice the number of provisional applications as it has U.S. utility applications. Generally, the higher number of provisionals is not a consequence of multiple priority filings, but is instead due to decisions to abandon the provisional applications. Thus, the experience of the OTC is generally consistent with the recent experience of the USPTO wherein only 50% of provisional applications are subsequently relied upon for priority in nonprovisional applications.

Given a relatively high cost to the System for patent prosecution, decisions to pursue patent protection on a given technology are largely driven by the potential to secure a licensee. Any expansion of time available for determining the licensable potential of a given technology



would be a benefit to university commercialization efforts and would be expected to reduce the numbers of applications that must be dropped for want of a licensee.

Under the present rules, a non-provisional patent application filed under 35 U.S.C. §111(a) and claiming priority to a provisional application, must be filed within 12 months of the provisional filing date and must include at least one claim. If not submitted with the application, the PTO will issue a Notice of Missing parts requiring submission of an oath/declaration and filing, search and examination fees. Including the full utilization of 5 extensions, submission of the search and examination fees may be deferred for up to 7 months from the filing date, albeit at a cost for extensions exceeding that of the total fees otherwise due.

The Supplementary Information provided with the request for comments on the instant proposed rule change is understood to be an attempt to provide applicants with more time to pursue commercialization efforts prior to payment of search and examination fees with the collateral desired effect of reducing the backlog of applications at the patent office.

The present proposed rule change to missing parts practice would continue to require applicants to file utility applications claiming priority from provisional applications within 12 months of the provisional filing date and to include at least one claim. In a change from existing practice, the basic filing fee together with an oath/declaration would be required with filing. As a further change, submission of search and examination fees could be deferred for up to 12 months (non-extendable) without payment of extension fees. The proposed change would also defer payment of the publication fee until receipt of a notice of allowance. The proposed deferment in payment of publication fees is fully supported.

Taken together, the proposed rule would permit university applicants two years of commercialization efforts for a (current) total filing fee cost of \$275 if the application is ultimately abandoned prior to the expiration of the two year term. Although filing fees are a relatively minor percentage of the total cost of preparing and filing a patent application, the deferral of fee payments during early commercialization efforts is certainly a benefit of the proposal.

The System is generally supportive of extended pendency periods for provisional applications. While believing that the proposed change could be accomplished in a more straightforward fashion by a change to the patent statute, the proposed rule change would be expected to confer a benefit to university commercialization efforts and is generally supported.

Several further proposals to the rule change are respectfully submitted for consideration.

- Under the current proposed rule, an executed oath/declaration is required at 12 months from the priority date. Provision for late submission of the oath/declaration is not clear under the proposed rule. Given the general fluidity of faculty and staff between universities as well as the time commitments on



these inventors, the time and expense of tracking down inventors and obtaining a fully executed set of oath/declarations can be considerable. The further proposal is that the deadline for submission of the oath/declarations be extended by the full 12 months without requirement for extensions of time.

- Under the proposed rule, the search and examination fees must be paid by the end of the 12 month period after filing of the non-provisional without any possibility of refund of these fees if the application is abandoned prior to being taken up by an Examiner. The further proposal is that the search and examination fees would be refunded if the application is abandoned prior to substantive review by an examiner. Such a proposal is similar to examination practice in the EPO and would be expected to further reduce the backlog of applications that are examined but are ultimately abandoned.

Consideration of the above further proposals is requested.

Sincerely,

A handwritten signature in black ink, appearing to read "Marilyn M. Huston".

Marilyn M Huston, Ph.D., J.D.  
Managing Counsel, Business Law and IP  
The Texas A&M University System

cc: Dr. Bowen Loftin, President, Texas A&M University  
Guy Diedrich, Vice Chancellor for Federal Relations and Commercialization, System  
Andrew Strong, General Counsel, System  
Dr. Peter Schuerman, Director, Licensing and Intellectual Property, System OTC