

From: Seth Nehrbass
Sent: Monday, August 31, 2009 8:27 PM
To: AC6/Comments
Cc: Bahr, Robert; 'Seth M. Nehrbass, Patent Attorney '
Subject: Comments on Deferred Examination for Patent Applications - Proposal - Pre-grant royalties begin only after examination is requested

The Honorable David Kappos
Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office
Mail Stop Comments - Patents
P.O. Box 1450
Alexandria, VA 22313-1450
AC6comments@uspto.gov

cc:
Robert W. Bahr, Senior Patent Counsel
Office of the Deputy Commissioner for Patent Examination Policy
(571) 272-8800
robert.bahr@uspto.gov

Comments on Deferred Examination for Patent Applications
74 Federal Register 4946 (January 28, 2009)
74 Federal Register 10036 (March 9, 2009)
74 Federal Register 28473 (June 16, 2009)
Proposal - Pre-grant royalties begin only after examination is requested

Dear Under Secretary Kappos:

Attached are my comments. I hope that this system can be implemented soon.

Best regards,

Seth

Seth M. Nehrbass, Patent Attorney
GARVEY, SMITH, NEHRBASS & NORTH, L.L.C.
3838 N. Causeway Blvd., Suite 3290
Metairie, LA 70002-1767, U.S.A.
Tel.: (504) 835-2000, ext. 345
Fax: (504) 835-2070
E-mail: Nehrbass@gsmn.us, SNehrbass@gmail.com
Mobile: 504-813-8815

www.neworleanspatents.com

Please always send e-mail to both of my e-mail addresses (Nehrbass@gsmn.us, SNehrbass@gmail.com (this is a new address for me)) to increase the chance that I will actually receive your message.

31 August 2009

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

Via e-mail to AC6comments@uspto.gov

Comments on Deferred Examination for Patent Applications
74 Federal Register 4946 (January 28, 2009)
74 Federal Register 10036 (March 9, 2009)
74 Federal Register 28473 (June 16, 2009)

Proposal - Pre-grant royalties begin only after examination is requested

Dear Under Secretary Kappos:

I am currently a patent attorney in private practice. I am in favor of a deferred examination (or examination on request) system for patent applications in the USPTO.

While I have many comments below, in my opinion the most important one which does not appear to be touched on in other posted comments is the following: I propose that in the event of deferral of examination, provisional pre-grant royalties begin only after examination is requested (one comment suggested that such royalties be forfeited altogether if examination is deferred).

Perhaps the best reason to adopt a meaningful examination on request system is that we currently have in the USPTO an involuntary deferred examination system, due to the backlog of patent applications. An examination on request system will allow patent applicants who are in a hurry to get their patents get their applications closer to the front of the queue.

I have been involved in patent law since 1982, when I was hired to work as an assistant patent examiner of semiconductor devices and electrolytic capacitors by the USPTO. I have since worked for law firms as a patent agent, and as a patent attorney since 1990. I currently work in a firm which limits its practice to patents, trademarks, copyrights and related matters. Four of our five attorneys are patent attorneys. The fifth attorney in our firm recently passed the patent bar and is waiting to be registered. Since our firm was formed in 1998 we have obtained over 600 US patents for our clients.

Our clients range from backyard inventors to companies in other countries to oilfield service companies to Fortune 500 defense contractors, and include medical device companies, pharmaceutical companies, chemical companies, and universities. Sometimes our clients are anxious for patents to issue, but often we file patent applications when the inventions are still a

31 August 2009

Seth M. Nehrbass comments on deferred exam

Page 2 of 4

work in progress, or when commercialization efforts are not complete, and deferral of examination could be helpful.

We assist some of our clients in getting patents in other countries (we are currently involved in prosecution and/or maintenance of hundreds of patents and applications in other countries), so I am familiar with deferred examination practices in other countries. I have long believed that a deferred examination system would be beneficial to the US patent system.

- (1) Patent applications should be published unless a request for examination is filed with the application filing fees**
- (2) Third parties should be able to, anonymously, initiate the examination process**
- (3) Pre-grant royalties should begin only after examination is requested**

I have had an opportunity to review the many helpful comments posted at the USPTO website (<http://www.uspto.gov/web/offices/pac/dapp/opla/comments/deferredcomments/deferred.htm>) on or about 10 June 2009 in response to the Request for Comments and Notice of Roundtable on Deferred Examination for Patent Applications dated 28 January 2009. I am in agreement with many of the comments, and in particular I believe that an automatic deferred examination (or examination on request) system would be beneficial and its potentially negative consequences can be minimized by (1) requiring publication of patent applications unless a request for examination is filed with the application filing fees,(2) allowing third parties (who can remain anonymous) to initiate the examination process by paying the examination fee and requesting examination, and (3) beginning provisional pre-grant royalties only after a request for examination has been filed.

(4) Examination on request should be deferrable until the patent term expires

In particular, I am in favor of examination on request system in which examination can be requested at any time before the patent term expires. This will allow quicker examination of patent applications of patent applicants who are in a hurry to get their patents, and allow patent applicants who are not in a hurry to get their patents to wait and not expend resources on examination. If it is necessary to specify a deadline for requesting examination, then I would suggest 10 years from the earliest priority date. By this time many patent applications on inventions which turn out to be not commercially important will likely be abandoned.

(5) Examination on request should apply to all non-provisional patent applications

I believe that examination on request should apply equally to original applications, national stage entry of PCT applications, continuations, divisionals, and continuations-in-part. I believe that applications should be queued for examination based on the date of their request for examination.

31 August 2009

Seth M. Nehrbass comments on deferred exam

Page 3 of 4

(6) The fees for search and examination should be deferred until the request is made

I believe that initial filing fees should be decreased, and that there be a fee for requesting examination. Because it is my experience that adequate patent searching is a large part of the time spent by a patent examiner when examining an application, perhaps it would be best to require search and examination fees at the same time.

(7) Third parties should be able to cite prior art when requesting examination, with fees for excess references

(8) Third party involvement should end after the request is filed

I believe that third parties should be able to cite prior art when requesting examination, but to encourage them to limit the prior art to a reasonable number of references, they should be required to pay a fee per reference above a certain number (for example, \$100 per reference above 10). I believe that the involvement of third parties should end after they cite prior art and request examination.

(9) No need to limit the scope of claims

Some comments suggest that no claims broader than published claims should be granted if examination is deferred. I believe that the current system, where no pre-grant royalties are due for claims which are not substantially identical to the published claims, should adequately address the perceived issues of those making these comments, if coupled with a provision (mentioned above at (3)) that pre-grant royalties begin only after a request for examination is filed. Thus, I do not believe that deferring examination should have any effect on the scope of the claims which can be granted.

(10) Deferral of examination should not affect PTA

I believe that deferral of examination should be patent term adjustment neutral.

(11) The current provision is inadequate

The current deferred examination provision (37 C.F.R. § 1.103(d) and MPEP § 709) seems to me to be inadequate. It requires an applicant to pay almost \$500 in government fees for a possible 3 year delay (from priority) in examination. With the present backlog of applications, many applicants will get this delay without filing a special request. This might explain why fewer than 200 requests have been filed under this provision since its inception in 2000. If this provision is retained instead of implementing a new examination on request system, then the deferral should not be at the discretion of the USPTO and it should be for at least 10 years (and preferably longer, with the ability of the applicant to withdraw the request at any time and get back in the queue for examination).

31 August 2009

Seth M. Nehrbass comments on deferred exam

Page 4 of 4

(12) Suspension-of-examination system

Further, I am in favor of an easier suspension-of-examination system. I am aware of the current system (37 C.F.R. § 1.103(a)-(c) and MPEP § 709). However, the suspension period (3-6 months) may not be sufficient to allow patent applicants time to establish commercial success to overcome a KSR rejection or to conduct experiments to compare a claimed invention to the product in a prior art reference, for example. Further, one must show good cause when requesting the suspension. Moreover, action cannot be suspended when a response is due. Thus, I would be in favor of allowing longer suspension periods that could more easily be requested even when a response is due.

Please contact me if you would like to discuss this.

Best regards,



Seth M. Nehrbass, Patent Attorney, USPTO Registration No. 31,281
GARVEY, SMITH, NEHRBASS & NORTH, L.L.C.
3838 N. Causeway Blvd., Suite 3290
Metairie, LA 70002-1767, U.S.A.
Tel.: (504) 835-2000, ext. 345
Fax: (504) 835-2070
E-mail: Nehrbass@gsnn.us, SNehrbass@gmail.com
Mobile: 504-813-8815

www.neworleanspatents.com