

From: Peck, Randall J.

Sent: Wednesday, April 09, 2008 2:35 PM

To: Markush-irfa.comments

Subject: Comments relating to examination of patent applications that include claims containing alternative language

Please find attached comments regarding the proposed rule changes for examination of patent applications that include claims containing alternative language. Thank you for your consideration.

Best regards,

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Mail Stop Comments – Patents
Commissioner for Patents
P.O. Box 1450
Alexandria, Virginia 22313-1450

Attn: Kathleen Kahler Fonda
Legal Advisor
Office of Patent Legal Administration

Re: **Proposed Rule Changes for Examination of Patent Applications
that Include Claims Containing Alternative Language
Docket No. PTO-P-2006-0004
RIN 0651-AC00**

Dear Ms. Fonda:

In response to the proposed rulemaking for examination of patent applications that include claims containing alternative language published March 10, at Federal Register, Vol. 73, No. 47, 12679-84, I submit the following comments.

The U.S. Patent & Trademark Office (“USPTO”) has decided to subject the proposed rules to an initial regulatory flexibility analysis (“IRFA”) and has requested comments on the IRFA. Specifically, the USPTO has conducted an analysis of applications filed by small entities which contain alternative language claims, e.g. Markush claims. As set forth in the Federal Register, the USPTO has determined that 43.4 percent of applications that are filed by small entities and that pertain to the biotechnological/chemical arts, which are the very fields for which Markush claims were developed, contain alternative language claims. In comparison, only 15.8 percent of applications pertaining to the electrical/mechanical arts that are filed by small entities contain alternative language claims.

The USPTO has calculated a theoretical average cost of filing a divisional application for instances in which an alternative language claim is restricted, and a divisional application is required for protection of an alternative embodiment. The USPTO has also calculated an average cost to amend an application having alternative language claims to determine an incremental cost of the proposed rulemaking to Applicants.

The USPTO states that the incremental cost “could be as low as zero for Applicants that elect not to maintain scope.” A zero cost is unlikely. If nothing else, there is always a cost associated with determining which species and/or “distinct” invention to elect and with amending the alternative language claims as necessary. More importantly, there is also a significant cost relative to the lesser claim scope that Applicants will be forced to accept, even if this cost cannot be quantified in dollars. The USPTO has further determined that, on average, five divisional applications will be required for each application that contains alternative language claims. Therefore,

incentive to patent inventions that will be affected by the proposed rule changes could dramatically diminish if this exponential increase in cost is imposed and, potentially, Applicants will have more incentive to preserve inventions as trade secrets. Hypothetically, if an alternative language claim contained five distinct alternatives, Applicants would have no incentive to incur the costs associated with amending the alternative language claim to claim one of the five distinct alternatives. Although this amendment would be required by the USPTO, the specification of the application would make known four alternatives (unclaimed) that could provide an effective “design around” of the claimed invention, thereby removing the incentive to Applicants to pursue narrower claim scope. Instead, Applicants would abandon the application, as opposed to incurring the costs associated with amending the alternative language claim for narrower claim scope that can easily be designed around. Disenfranchisement resulting from loss of patent protection and/or dedication of intellectual property to the public will doubtlessly give rise to a greater prevalence of trade secret practice. An over-reliance on trade secrets resulting from these proposed rules could have a chilling effect on innovation.

In its justification for the proposed rulemaking, the USPTO has stated that the proposed rulemaking is to alleviate examination burdens on Examiners. However, by requiring a divisional application for each “distinct” invention within an alternative language claim, the burden on Examiners will dramatically increase, even in comparison to any burden on Examiners in examining alternative language claims. For example, the burden of examining alternative language claims is arguably minimal, as only one limitation and/or feature of the invention is different in an alternative language claim. Therefore, each portion of the alternative language claim may fall within a similar classification and, in addition, only one small portion of a search string need be altered when conducting keyword searches. However, in the instance when the alternative language claims are restricted, necessitating a divisional application, a wholly separate search and USPTO action are required, thereby increasing the burden on the Examiners. Further, the divisional application may be assigned to a different Examiner, possibly an Examiner who is unfamiliar with the important history of the parent application, thereby spreading the burden to additional Examiners in having to examine a nearly identical application and decreasing the overall efficiency of the USPTO. In contrast to the USPTO’s intent of the proposed rulemaking, the burden on Examiners and the current backlog of patent applications at the USPTO will only increase. The negative impact of the proposed rules on Applicants, including the increases costs and potential for narrower claim scope, substantially outweighs any minimal burden placed on Examiners to examine alternative language claims. Accordingly, I respectfully request that the proposed rules do not take effect.

Respectfully,

Randall J. Peck