

Genentech, Inc.
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LEGAL DEPARTMENT

1 DNA Way
South San Francisco, CA 94080-4990

August 28, 2003

By electronic mail – AB63.comments@uspto.gov

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

Re: *Clarification of Power of Attorney Practice, and Revisions to Assignment Rules*,
68 Fed. Reg. 38258 (June 27, 2003)

Dear Ms. Ferriter:

Genentech, Inc. (“Genentech”) offers the following comments in response to the Office’s Notice of proposed rulemaking.

Genentech is a biotechnology company based in South San Francisco, California. Our mission is to be the leading biotechnology company, using human genetic information to discover, develop, manufacture and commercialize biotherapeutics that address significant unmet medical needs. Genentech commits itself to high standards of integrity in contributing to the best interests of patients, the medical profession, our employees and our communities, and to seeking significant return to our stockholders based on the continued pursuit of excellent science.

Patents are a fundamental aspect of our business. Since Genentech was founded more than 25 years ago, we have filed thousands of patent applications to protect our inventions, and we continue to file new applications on a regular basis. At any given time, we typically have dozens or hundreds of applications pending before the Office.

We recognize the need to adapt power of attorney and assignment practice to the electronic examination environment. We find most of the proposed rule changes sensible and

not unreasonably burdensome. However, we believe that certain proposals would place an unnecessary burden on applicants who manage large portfolios of applications. That burden would also indirectly impair the Office's ability to examine applications efficiently.

We employ both in-house and outside patent counsel to prosecute our applications. When we give outside counsel primary responsibility for an application, it is not uncommon for our in-house attorneys to remain directly involved in the prosecution.¹ In such situations, it is typically desirable that all of the attorneys be "of record" in the application. To that end, we suggest that the Office allow applicants to designate more than one Customer Number, or a single Customer Number and additional named attorneys, in a power of attorney.² We believe that many applicants would find such an option helpful.³

For similar reasons, we do not favor the proposal to eliminate 37 C.F.R. § 1.34(b), which authorizes associate power of attorney practice. The Office states that "[w]ith Customer Number practice, the associate power of attorney practice is no longer necessary."⁴ This perspective, we believe, derives from an incorrect assumption that every patent applicant engages a single attorney or firm to handle all aspects of prosecution for a given application.

On many occasions, we find it useful to refer particular issues to outside consulting attorneys. It is expedient, and sometimes essential, for such attorneys to be "of record" in the involved applications. However, in those situations we do not intend to transfer responsibility for the cases, nor do we wish to redirect all correspondence, to the consulting attorneys. An associate power of attorney is the ideal means to provide such outside attorneys the authority to take specific actions on our behalf.

Under the proposed rules, a corporate IP department such as ours, or for that matter any patent applicant, would have no satisfactory option for making attorneys in more than one organization "of record" in an application. For example, in the case of an in-house attorney working with a consulting attorney –

¹ We suspect that many applicants other than large commercial entities employ a "consultative" approach similar to ours for managing the prosecution of their applications. For example, many university technology transfer offices delegate primary responsibility for their applications to outside counsel but remain involved in prosecution, particularly as negotiations with prospective licensees progress.

² We are aware that as a practical matter, the architecture of the PALM system may constrain the Office's options in this regard. Programming limitations might be overcome by establishing a database of "virtual customer numbers," each corresponding to a combination of "actual" customer numbers, that the PTO would create automatically as multiple-number designations were submitted.

³ The Office could address potential ambiguities relating to the intended correspondence address by designing its forms to provide for a single "corresponding attorney of record" designation and optional "consulting attorney of record" designations.

⁴ 68 Fed. Reg. at 38260.

- The in-house attorney could appoint the outside counsel as the attorney(s) of record and would retain the ability to take most (but not all) actions in the application under the general representation authority of 37 C.F.R. § 1.34[(a)]. The in-house attorney could later re-appoint himself or herself, acting on behalf of the assignee under § 3.73(b).
- The in-house attorney could retain status as the attorney of record and allow outside counsel to act under the general representation authority of § 1.34.
- The in-house attorney could establish a new customer number for one application or a group of applications, with which both in-house and outside counsel would be associated.

Each of these options imposes difficulties that the current associate power of attorney practice does not. Moreover, where a prosecuting attorney lacks the capacity to execute a power of attorney under § 3.73(b), securing a new power of attorney from the inventors or assignee can be difficult and time-consuming.

A significant drawback of current practice that the Office cites is the need to track the termination of an associate power of attorney when the appointing principal attorney dies or withdraws from the representation. We believe that 37 C.F.R. § 1.34 can be revised to retain the benefits of associate power of attorney practice while satisfactorily addressing such problems.

We suggest that §1.34 be revised to provide that an associate attorney's authority is not dependent on the continued representation by the appointing principal attorney. It may also be desirable to concurrently revise § 1.31 to provide that any original power of attorney shall act as a revocation of all prior powers of attorney. Thus, there would be no possibility that any "residual" associate attorneys would remain of record in an application following the designation of new principal attorney(s) by the applicant or assignee.

We believe that many applicants find the flexibility of associate power of attorney practice advantageous. Procedures that allow applicants to conclude prosecution of their applications efficiently ultimately benefit of the Office as well. In our view, it would be a mistake to curtail or eliminate such procedures in the interest of administrative convenience. We therefore strongly encourage the Office to explore other alternatives for addressing the problems it has identified as it implements electronic examination procedures.

We appreciate the opportunity to comment on these changes to the Office's procedures.

Sincerely yours,

Janet E. Hasak
Associate General Counsel - Patent Law