



**FÉDÉRATION INTERNATIONALE DES CONSEILS
EN PROPRIÉTÉ INDUSTRIELLE**

August 5, 2005

Commissioner of Patents
The United States Patent and Trademark Office
P. O. Box 1450
Alexandria, VA 22313-1450
United States of America

Re: Notice of Availability of and Request for Comments on Green Paper
Concerning Restriction Practice

Dear Mr. Commissioner:

The International Federation of Intellectual Property Attorneys (FICPI) appreciates the opportunity to offer comments in relation to the *Notice of Availability of and Request for Comments on Green Paper Concerning Restriction Practice*, 70 Fed. Reg. 107 published on June 6, 2005 by the United States Patent and Trademark Office (USPTO).

FICPI is broadly representative of the profession of intellectual property attorneys in private practice throughout the World. The members of FICPI deal generally with all matters in the field of intellectual property in the countries in which they practice and in other countries through associates, and especially with the filing and prosecution of applications for patents (and utility models, where applicable), trade marks and designs, and maintenance of such intellectual property rights. Members also advise in matters relating to intellectual property rights and those concerning unfair competition, licensing, know-how and transfer of technology. Given that restriction practice reform is one of the most critically important issues facing the USPTO today, FICPI highly welcomes the initiative taken by the USPTO to study alternatives for restriction practice reform and to solicit comments from all interested circles and the public at large.

The Green Paper described public comments received in response to the USPTO's earlier *Request for Comments on the Study of the Changes Needed To Implement a Unity of Invention Standard in the United States*, 68 *Fed. Reg.* 27536 (May 20, 2003). A number of goals for restriction reforms were proposed, including:

- Increasing cost-effectiveness
- Promoting quality patents
- Enhancing predictability of restrictions
- Encouraging the examination of all claims to the same invention or inventive concept by the same examiner
- Encouraging the filing of fewer divisional applications to reduce the number of patent file histories directed to related claims
- Promoting harmonization

Four restriction reform options were developed for further study based on the comments received:

1. Current national restriction practice with an option to pay for the examination of additional invention(s) within the original application.
2. Modified PCT unity of invention standard with: 1) an additional requirement that the special technical/common feature comply with 35 U.S.C. § 112, first paragraph; and 2) an option to pay for additional invention(s).
3. Three-tiered fee structure dependent upon the search burden associated with, and the presence of different patentability issues between, various inventions.
4. Independent and distinct standard (as opposed to independent or distinct).

The positions and arguments of FICPI on these options are as follows:

1. Current national restriction practice with an option to pay for the examination of additional invention(s) within the original application.

Retention of the current independent or distinct standard applied by the USPTO is not desirable, regardless of an option to pay for examination of additional inventions within the original application. The use of this standard has resulted in significant problems in several technology areas including biotechnology. For example, a typical biotechnology application may include claims directed to a unique gene encoding a protein, the protein encoded by the gene, antibodies against the protein, and methods of making the protein. Although the inventor who is first to identify the clinical or commercial value of a gene sees all of these claims as different aspects of the same invention, the USPTO treats each aspect as a separate invention. It is not uncommon for applicants to receive dozens of restrictions for a single invention.

The current independent and distinct standard (interpreted by the USPTO as "independent or distinct") is not the only standard in Title 35 of the United States Code for assessing the presence of multiple inventions claimed within a single application. Under 35 U.S.C. § 372, the PCT unity of invention standard is described, by which multiple claimed inventions may be examined in a single application where they are "linked so as to share a single general inventive concept." At present, the USPTO employs both standards in the ordinary course of examination of applications. During the international and national phases of a PCT application the USPTO employs the "unity of invention" standard of the PCT, while in US national applications (which includes those claiming

priority to an earlier PCT application designating the US via the continuation procedure), the USPTO employs an “independent or distinct” standard.

Under Option One, Examiners will continue applying two separate standards for unity of invention depending on the procedural history of a given application. This not only produces inefficiency since Examiners must learn and apply two different criteria, but also perpetuates the existing problem of uncertainty with respect to restrictions. Although Option One has the potential for greater cost-effectiveness arising from the fact that search and examination results from the initial set of claims could be used in the examination of additional inventions, this option could result in examination delays as Examiners will have to spend more time to substantively examine additional inventions within each application. Consequently, amendments to the patent term adjustment rules may be necessary to prevent applicants from requesting examination of additional inventions within a single patent application for the purpose of obtaining longer patent terms.

Finally, restriction practice in US national applications is substantially different from that followed by other parties to the PCT. Accordingly, continued use of an independent or distinct standard does not promote harmonization of patent laws. This stands in stark contrast to Option Two, described below.

2. Modified PCT unity of invention standard with: 1) an additional requirement that the special technical/common feature comply with 35 U.S.C. § 112, first paragraph; and 2) an option to pay for additional invention(s).

As opposed to Option One, Option Two should lead to greater predictability since Examiners will apply a single unity of invention standard to all applications regardless of their procedural origin. Option Two also promotes harmonization of patent laws by bringing the US standard in line with the approach currently used in the EPO and PCT. In addition, although adoption of a unity of invention standard may lead to an increase in USPTO fees to compensate for lost revenue associated with the filing, issue, publication, and maintenance fees for divisional applications, these increases could be offset by the reduction in workload within the USPTO from not having to process as many divisional applications.

Decreasing the number of divisional applications has additional benefits besides reducing workload within the USPTO. Multiple co-pending applications directed to closely related aspects of an invention are frequently assigned to different examiners, which can result in inconsistent patentability determinations from the USPTO. Multiple co-pending applications also create chaos in the market, as claims that relate to a single inventive concept issue over a period of multiple years, rather than in a single patent. This increases the monitoring costs and uncertainty for third parties who might be unsure when or how they could enter a market because of the very serial fashion of issuance of a chain of familial patents encouraged by the current system.

Option Two would ensure examination of inventions having a common special technical feature together in a single patent application by a single Examiner. Increased efficiency in examination should translate into increased cost effectiveness. Option Two should also promote improved

patent quality through increased predictability relating to how applications are examined, since there is a close correlation between patent quality and a consistent examination standard.

Even though the Green Paper predicts that a change to Option Two will result in an increase in pendency and an increase in costs relative to the current restriction practice, it is important to note that the Green Paper also calculates that these increases would be less than they would be for moving to Option One from the current system.

It could be argued that the unity of invention standard under Option Two might not be as easy to apply to US patent applications as it is in Europe, because the use of a two-part claim and characterizing clause under European practice makes the “special technical feature” often more apparent upon an initial examination. However, using a common European practice, the claims are often not divided into the two-part form until after the closest prior art has been identified and some substantive examination, and long after the issue of the unity of invention has been decided. In addition, even under US practice, a special technical feature or “point of novelty” is often presented at the end of the claim in the last clause or paragraph, and is often introduced with the word “wherein”. This style is used in a combination claim to help focus the Examiner’s attention on the specific element that the applicant views to be the distinguishing patentable feature, and so the “special technical feature” of US-style claims that Option Two would require might not be that difficult to recognize in practice.

FICPI disagrees, however, with the proposed procedure for handling the determination of a reference claim for the unity of invention consideration.

If there is no response to a restriction requirement, then the application should not be abandoned, but examination should proceed on the basis of the first claimed invention. Applicants aware of this rule will draft new applications accordingly, and eliminating the need for a response to a restriction requirement when the applicant is aware that the first claimed invention will be examined first in the event of no response will lower the costs to the applicant. If the applicant later decides that it would rather have a different invention examined, then this circumstance can be handled by additional fees or divisional applications, and so the wasted expenditure of resources predicted by the Green Paper could be obviated.

FICPI would be opposed to any fixed limit on the number of claims presented for each category (i.e. product, apparatus, process or use), but which otherwise meet the unity of invention standard, as is currently the case under European practice.

3. Three-tiered fee structure dependent upon the search burden associated with, and the presence of different patentability issues between, various inventions.

FICPI agrees with the USPTO that Option Three is not viable for implementation. Not only does this option fail to promote harmonization of US law with the laws of other countries, but a primary concern is that this option negatively impacts predictability. Option Three would implement subjective determinations involving the division of "inventions" within an application into tiers; determinations that would add additional steps to the examination process. This is in contrast to Option Two, since the determination of special technical features under a unity of invention

standard is part of the same analysis employed by the Examiner in determining patentability for the same claims.

Another factor impacting predictability is that under Option Three, the Examiner must first identify "inventions" using the current independent or distinct standard. As described above, retention of this standard will perpetuate existing unpredictability in the way applications are examined. In fact, examination will become even more unpredictable by the adoption of a tiered examination structure that is linked to continued use of the independent or distinct standard.

4. Independent and distinct standard (as opposed to independent or distinct).

FICPI agrees with the USPTO that Option Four is not viable for implementation. Not only does this option fail to promote harmonization of US law with the laws of other countries, but it would add to application pendency. Such lengthening of the time required to examine applications will be in part due to the necessity for "rolling" searches of either a common feature or additional inventions that will significantly increase Examiner workload.

In addition to effects on application pendency and Examiner workload, as with Option Three, this option uses the existing restriction standard as a base to which new determinations are added. Under Option Four, distinct inventions are identified and claims are appropriately grouped in accordance with current restriction practice. A determination is then made as to whether the distinct inventions are also independent, by assessing whether the inventions include a common feature distinguishable from the

prior art and that satisfies the enablement and written description requirements of 35 U.S.C. § 112. As described above, retention of the current restriction standard will perpetuate existing unpredictability in the way applications are examined and will only be made worse by the addition of a determination of whether the inventions include a common feature.

Conclusion

The most important goals of restriction practice reform must be the enhancement of predictability relating to how applications are examined, the promotion of patent quality, and harmonization with international standards. FICPI agrees with the USPTO that Options Three and Four are not viable for implementation. Furthermore, Option One does not appear as though it will improve predictability of restriction standards. Accordingly, adoption of a modified PCT unity of invention standard under Option Two is considered to be the most desirable plan for restriction practice reform.

We appreciate the opportunity to provide comments and would be pleased to assist in any way we can.

Sincerely,

R. Danny Huntington
Vice President
FICPI