

# Track One: The New Patent Rules on Continuation and Claims Practice from the USPTO's Perspective

*John Joseph Love*  
*US Patent and Trademark Office*  
*Alexandria, VA*

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## PowerPoint Presentation



### **Present & Future Perspectives of the USPTO**

*Institute of Continuing Legal Education (ICLE)  
Spring Seminar 2007 - March 19, 2007*

**John Love**

**Deputy Commissioner for Patent Examination Policy**



## Topics

- **Recent Changes – which resulted in success**
  - **Quality –**
    - Fulfilling the goal of continuous improvement
  - **Statistical Update –**
    - Why FY 2006 was a record-breaking year
- **Strategic Planning & the Future of the USPTO**



# QUALITY

*Fulfilling the goal of continuous improvement*



## On-Going Quality Initiatives

- Interviews before First Action
- Second Pair of Eyes
- In Process Reviews
- Appeal Specialists
- Pre-Appeal Brief Conferences
- Appeal Conferences
- GS 12 Certification Exam
- Primary Examiner Recertification
- TC Targeted Areas of Review
- New Patent Examiner Training Academy
- Central Reexamination Unit
- Accelerated Examination



## **Interviews Before 1<sup>st</sup> Office Action**

- Normally granted in continuing or substitute applications
- In all other applications interview will be granted if the examiner determines that such an interview would advance prosecution of the application
- Examiner may require applicant requesting interview to provide a paper with a general statement of the prior art and no more than three references believed to be the closest prior art and how the broadest claim is distinguished over these.



## **Second Pair of Eyes**

- Focuses on reviewing work product throughout examination
- Tool to gather information for creating training modules
- May be performed throughout a TC or in specific areas



## In Process Reviews

- Initiated formally in FY 2003
- Statistically significant randomly selected applications are reviewed
- Focus of evaluation:
  - Whether rejections are proper
  - Whether a proper rejection has not been made
  - Evaluate search quality



## Appeal Specialists

- TQAS position in each TC
- May be a conferee for pre appeal and appeal conferences
- Major duties include coordinating appeal matters throughout the TC
- Identify trends and training needs

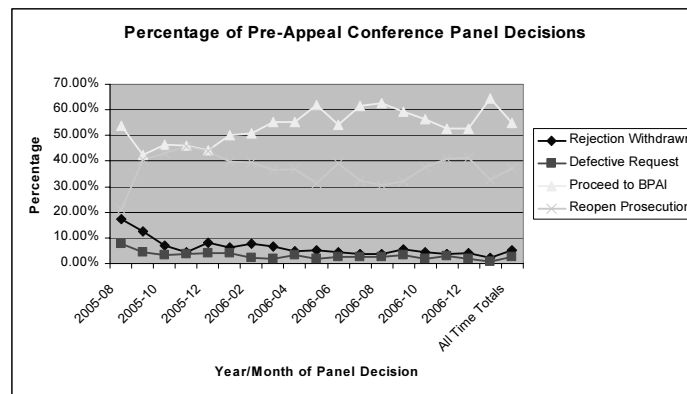


## Pre-appeal brief conferences

- Program began July 12, 2005
- Extended February 7, 2006
- Over 5,600 conferences conducted
  - For the last three months of 2006, we decided to proceed to the Board over 65% of the time.



## Pre-appeal brief conferences





## Appeal Conferences

- **Appeal conference required in every application having a brief**
- **Conferees include:**
  - **Examiner**
  - **SPE**
  - **Appeal Conferee (appeal specialist, another primary or QAS)**



## GS 12 Certification Exam

- **Implemented in FY 2004**
- **Ensures that examiners have up to date knowledge of Office procedures and policies**
- **Confirms through testing that examiners have achieved skills to merit the grant of legal competency and negotiation that occurs with a promotion to GS-13**



## **Primary Examiner Recertification**

- **Established in FY 2004**
- **Applicable to all GS-13 through 15 examiners**
- **Requirements:**
  - **Attendance of legal training**
  - **Testing based on the legal training**
  - **Periodic expanded review of work product**



## **TC Targeted Areas of Review**

- **Technology Centers focus on areas where greatest area of impact is made**
- **May Include:**
  - **Augmenting in-process reviews**
  - **Target second pair of eyes review in specific art areas**
  - **Target specific actions for review (first office action, finals, etc.)**



## Training academy

- Six classes hired through training academy in 2006, totaling over 600 new examiners
- Four classes planned in the first half of '07
- Each Tech Center will send new hires through the training academy in '07



## Training academy

- Evaluating existing processes, including:
  - Training delivery
  - Program effectiveness
  - Administrative oversight/structure
- Seeking input on future program development and a permanent structure



## Central Reexam Unit (CRU)

- Initiated in July 2005 to improve quality & timeliness of patent reexaminations
- Over 1500 cases have been assigned
- CRU Staff
  - 3 Managers (SPREs)
  - 30 Primary Examiners
  - 5 Paralegals (support)
  - 5 LIEs (support)
  - Centralized support staff



## Central Reexam Unit (CRU)

- 30 Primary Examiners
  - Varied technical expertise
  - Reexam experience
  - Additional legal training
  - Motivated and collegiate
  - Quality focused



## **Accelerated Examination**

- **Change in practice effective since August 25, 2006**
- **Over 200 AE applications received**
- **Guidance provided on the USPTO web site at <http://www.uspto.gov/web/patents/accelerated/>**



## **STATISTICAL UPDATE**

***Why FY 2006 Was a  
Record-Breaking Year!***



## FY 2006 Quality Results

### ■ Improving Quality is our Highest Priority

2006 Goal	2006 Result
4% allowance error	3.5% allowance error
86% in process compliance	90% in process compliance



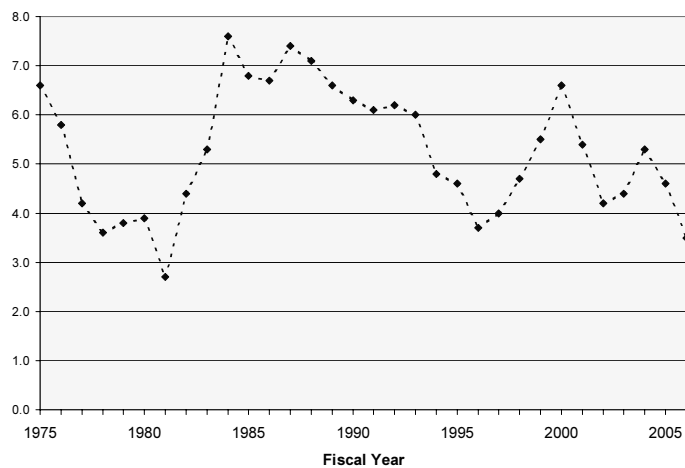
## Quality

- 2006 goals:  $\leq 4\%$  allowance error and  $\geq 86\%$  in-process compliance
- 2006 results: 3.5% allowance error and 90.0% in-process compliance
- 2007 goals:  $\leq 4\%$  allowance error and  $\geq 88\%$  in-process compliance

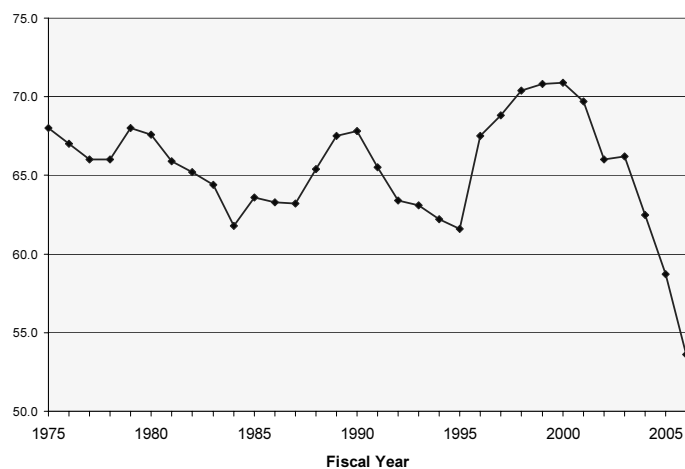
FY 2006	% allowance error	% compliant in-process examination
Target	4.0%	86.0%
USPTO	3.5%	90.0%
TC 1600 (Biotech)	4.8%	86.6%
TC 1700 (Chemical Eng.)	4.8%	86.6%
TC 2100 (Computers)	2.8%	90.0%
TC 2600 (Communications)	2.8%	90.0%
TC 2800 (Semiconductors)	4.0%	91.1%
TC 3600 (Transport. & BM))	3.9%	92.0%
TC 3700 (Mechanical Eng.)	3.9%	92.0%

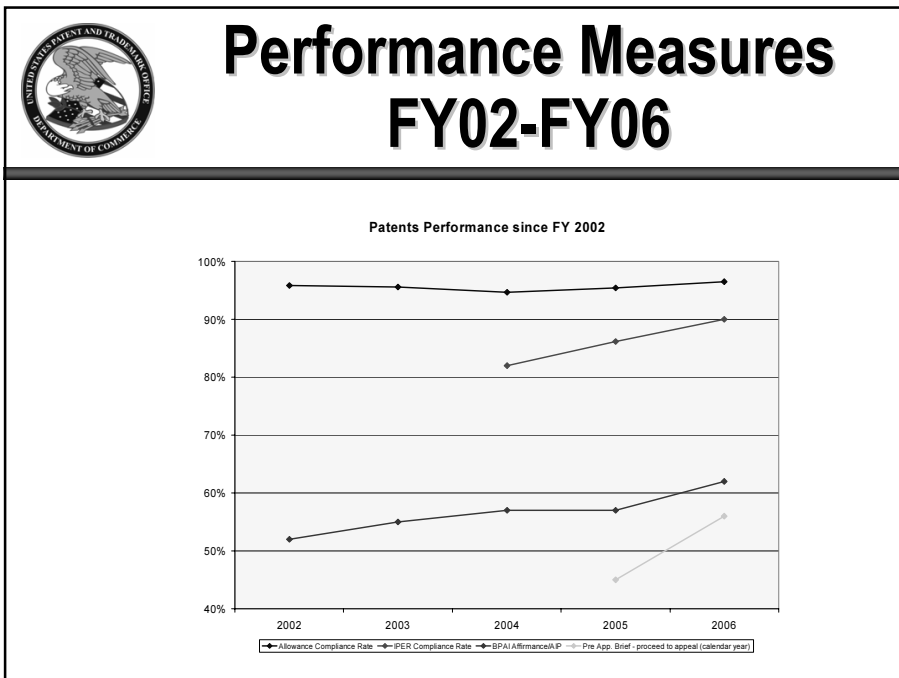
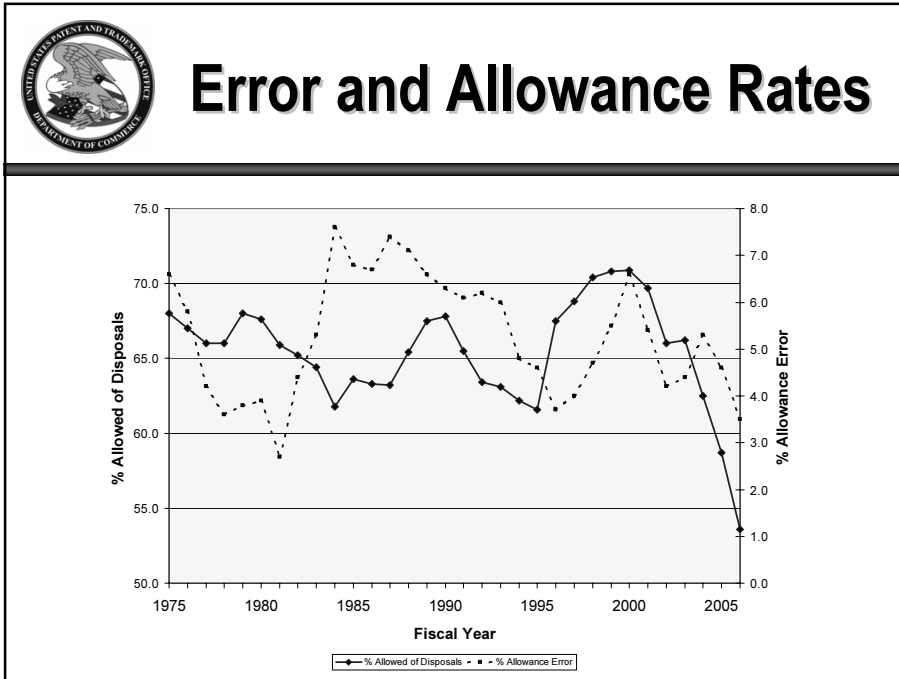


## Allowance Error Rate



## Allowance Rate







## End-of-year statistics

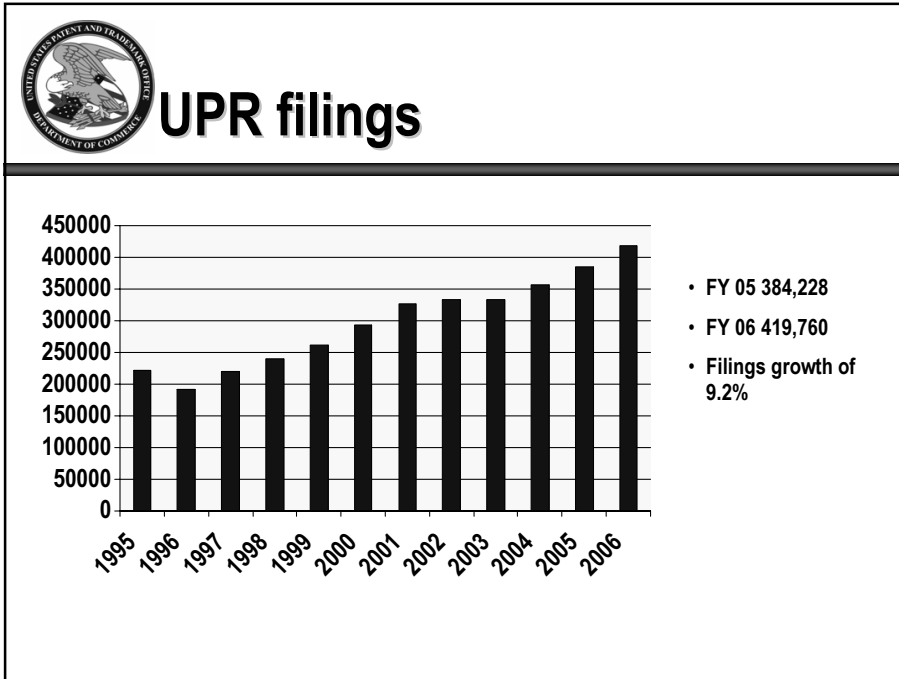
As of September 30, 2006 (including design):

- 701,147 applications awaiting first action by the examiner
- 4883 patent examiners
- 397 supervisors
- 29 patent academy trainers
- 22 TC directors



## Patent Operations update

- FY 2006 filings
- FY 2006 goals and results
  - Quality
  - Production
  - Pendency
  - Hiring and attrition
  - Electronic filing



**UPR Production**

- 2006 goal: 348,691 Balanced Disposals (BDs)
- 2006 results: 351,664 BDs
- 2007 goal: 363,900 BDs

FY 2006	BDs Produced	% of Target
USPTO	351664	100.8%
1600 Biotech	37580	103.6%
1700 Chemical Eng.	42227	100.7%
2100 Computers	38238	103.4%
2600 Communications	46577	100.4%
2800 Electrical, Optics	73170	97.6%
3600 Mechical	39279	100.4%
3700 Mechanical Eng.	47819	99.0%



## Patent pendency

Technology Center	Average 1 <sup>st</sup> Action Pendency (months) <sup>1</sup>	Average Total Pendency (months) <sup>2</sup>
1600 - Biotechnology and Organic Chemistry	23.5	34.4
1700 - Chemical and Materials Engineering	22.7	32.1
2100 - Computer Architecture Software and Information Security	30.8	44.0
2600 - Communications	30.4	42.9
2800 - Semiconductor, Electrical, Optical Systems	16.4	25.4
3600 - Transportation, Construction, Electronic Commerce	21.7	29.6
3700 - Mechanical Engineering, Manufacturing and Products	20.2	28.2
<b>UPR Total</b>	<b>22.6</b>	<b>31.1</b>
<b>FY 06 Target</b>	<b>22.0</b>	<b>31.3</b>

<sup>1</sup> "Average 1<sup>st</sup> action pendency" is the average age from filing to first action for a newly filed application.

<sup>2</sup> "Average total pendency" is the average age from filing to issue or abandonment of a newly filed application.



## Hires and attritions

	1600	1700	2100	2600	2800	3600	3700	Corps
FY 04 EOY Staff	451	475	603	706	792	457	475	3959
FY 05 EOY Staff	504	493	738	777	922	488	549	4471
FY 06 Hiring Goal	75	35	690			100	100	1000*
FY 06 Hiring	96	88	259	228	226	144	152	1193
FY 06 Attrits	53	56	96	84	96	49	76	510
FY 06 EOY Staff	545	526	908	925	1045	582	549	5150
FY06 Hires as percent of FY 05 EOY Staff	19%	18%	35%	29%	25%	30%	28%	27%

Staff includes Examiners, SPEs and academy trainers.

\*As originally planned. Hiring target raised to 1200 during FY 2006.



## **Electronic filing**

**New EFS-Web system launched March 2006**

- **allows PDF-based submissions**
- **replaced XML-based system**

**2005 result: 2.2% of applications filed electronically**

**2006 goal: 10% of applications filed electronically**

**2006 result: 14.1% of applications filed electronically**

**FY 2007 results to date: almost 50% of applications filed weekly are received through EFS-Web**



## **STRATEGIC PLANNING AND THE FUTURE OF THE USPTO**

<http://www.uspto.gov/web/offices/com/strat2007/>



## Improving Quality

### ■ Quality improvement initiatives include:

- **Improving Search Quality**
  - Additional Examiner Resources for Search
- **Peer Review Pilot**
  - Third Party Submission / Comment
- **Develop Quality Metrics**
  - Seeking Input from Public
- **External Validation**
  - Quasi-Governmental, Attorneys on Sabbatical, or an Independent Search Firm



## Notice of Proposed Rules Changes

- **Claims**
- **Continuing Applications**
- **Information Disclosure Statements**



## **Policy/Practice Initiatives**

### **■ Alternative Examination Products**

#### **➤ Patentee / Trade Organization / User Input**

##### **■ Wants and Needs for IP Protection**

- Different Levels of Examination / Protection
- Deferred Examination
- Peer Review
- Collaborative Examination

### **■ Markush / Generic Claims**

#### **➤ Notice of Proposed Rule Making**

#### **➤ Input on Potential Solutions**



## **Patent eGovernment - Future**

### **■ eOffice Action Pilot**

### **■ Electronic Signatures for Patent Corps**



## Employees - Location of Work

- **Developing a Nationwide Workforce**
  - Regional
  - Local
  
- **Hoteling**
  - Over 500 Patent Examiners currently participate in Patent Hoteling Program (PHP)
  - Goal for FY 2007 – add 500 examiners



## Outsourcing

- **Reclassification**
- **PCT Outsourcing Search Pilot**
- **Pre-Grant Publications - Classification**



## **Patent Prosecution Highway – Pilot Program**

- Pilot program commenced on July 3, 2006 for a period of 1 year; period may be extended for up to one additional year
- USPTO has received approximately 25 requests; JPO approximately 80 requests



## **Contact Information**

- John Love  
Deputy Commissioner for Patent Examination Policy  
e-mail: [john.love@uspto.gov](mailto:john.love@uspto.gov)  
Phone: 571-272-8800