

Upon seeing rejections that seem overcome-able, the Applicant is induced to keep trying. Strangely, sometimes the essence of the rejections does not seem to change from one OA to another. Even more strangely, when the Applicant eventually appeals, a Reply Brief or a final decision is filed with real, better rejections, or better documented rejections, which the Applicant sees for the first time and is unfairly surprised.

This problem is learned of only on appeals – and the Applicant often does not get there. Upon receiving a negative decision, the Applicant may privately agree with the outcome. However it is difficult – in fact there is no forum, and no point – for the Applicant’s attorney to say that they were misled into appealing: that the FOA was pointing to different places in the specification of the prior art, that the FOA had not mentioned they gave no patentable weight, etc. The Applicant’s attorney is embarrassed to their client for having suggested the appeal.

Is it strange that a practitioner here alleges this happens? Do consider that Examiners have a perverse incentive here. Every time they rationalize that they can maintain a previous rejection, or make it final, they get to rack up “points” for responding to the Applicant without needing to do any extra substantive work. If they give early good, clear rejections, however, they might not get this opportunity. So, how about a new term: “ambushing rejection”: it is a type of rejection that is less work, as in patent mortgaging. It is defective, while the real rejection comes up on appeal.

The rule proposed in this letter would rectify part of this problem. It would not rectify that the Appeal Brief costs to the client more than the fee refunded, but let’s not go there.

Until such a rule passes, it is up to the Applicant’s attorney to wonder whether a rejection is an ambush. Even when he or she does suspect that, it is hard to explain to clients that the Examiner could write a better rejection here in view of the prior art of record, but is not doing so, and we should abandon the case anyway to save you money. And the Applicant should not have to second-guess the rejections – rejecting is the Examiner’s job and not the Applicant’s.

You will find out how real the problem is if you pass such a rule, and mark two milestones for measuring the RCE backlog. It should take 6 months to cycle many pending applications via their RCEs to where Applicants will have seen what the real case against their claims is, and will have fairly adjusted their expectations. It will take another 6 months to cycle these cases out of the backlog.

With best regards

/A practitioner/

2015-04-29

Attention: Michael Cygan, Senior Legal Advisor, Office of Patent Legal Administration
Office of the Deputy Commissioner for Patent Examination Policy
Mail Stop Comments–Patents
Commissioner for Patents
P.O. Box 1450
Alexandria, Virginia 22313-1450

Re: Ideas for improvement of patent quality

Dear Mr. Michael Cygan:

Congratulations to the USPTO for its initiative to improve on patent mortgaging.

Here is a suggestion to improve on patent mortgaging. If implemented, it may also improve the examination backlog, and also the appeals backlog, by discouraging Applicants earlier from continuing to apply with claims that are too broad in the face of the prior art references.

The suggestion is to create a new rule, at the appropriate rule level, to the effect that:

The fee for an Applicant's Appeal Brief in appealing a Final Office Action (FOA) is refundable to Applicant if, whether it is by an Examiner responding to the Appeal Brief or by the PTAB's later adverse decision, the USPTO has:

- a) used different prior art references than in the FOA;*
- b) articulated different rejections than in the FOA, or pointed to different places in the specifications of these prior art references;*
- c) explained that they did not give patentable weight to one or more claimed terms, while they did not so declare in the FOA; or*
- d) mailed a new OA in response to the Appeal Brief, but without withdrawing the rejections of the FOA.*

When this happens, the Examiner loses an appropriate amount of "points" for examining this application, and any RCEs that led to it.¹

Comments:

Nobody wants patents to be unfairly broad. An appeal should reject fairly. But Applicants should not be misled into appealing.

Often times, the FOA rejections themselves seem overcome-able, defective. For example,

- a) the prior art references do not really teach the claims,
- b) the prior art references do teach the claims, but not as cited, or the rejections point to the wrong place in the specification (unlike in the final decision)
- c) a rejection does not give patentable weight to a claimed term, and the FOA does not explain that.

¹ Subject to better terms and wording by those who make such rules.

On the other hand, a 3P might want to submit its prior art anyway, if it wants to avoid its cost of the invalidity opinion, its cost of tracking the application, its risk of allowing the Applicant to have a broader patent than they should, and so on. The primal risk it faces, however, is that the submitted prior art will become of record without being considered. Then a patent is presumed to overcome the prior art.

Perversely, if an Office Action (OA) has been mailed by the time the 3P submission is received, the Examiner has NO incentive to use the 3P submission in a next OA. That, even if the 3P submission shows better prior art than the Examiner used in the OA. Indeed, it is less work for the Examiner to not match the new prior art to the pending claims, to not articulate new rejections, etc. And, if the Examiner thinks that the Applicant did not respond adequately to the previous OA, it is easier to make an OA final or continue based on the rationales already developed. Another problem is that the Applicant can get false hope as to the real eventual chances of their application, if they see no rejection based on the new art. The Applicant might continue the effort over cycles of RCEs that prolong prosecution – perhaps the Examiner intends to use the submitted prior art later or perhaps he does not think the new art is important. And the submitting 3P will have to wait longer to see if its submission was effective, and worry whether its primal risk is realized. In that case, the 3P is worse off than NOT having submitted.

The proposed rule would give the Applicant and the 3P quickly notice as to the perceived import of the submitted prior art. An Applicant might discontinue their effort early. The examination backlog may be reduced, too, for cases where there are 3P prior art submissions. In fact, you may see more such submissions, and thus generate better rejections. The proposed rule also compensates the Examiner for their additional effort.

With best regards

/A practitioner/

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Re: Ideas for improvement of patent quality

Dear Mr. Michael Cygan:

Congratulations to the USPTO for its initiative to improve patent quality.

Here is a suggestion to help improve patent quality. It may also improve the examination backlog, by discouraging Applicants earlier from continuing to apply with claims that are too broad in the face of the prior art references.

The suggestion is to create a new rule, at the appropriate rule level, to the effect that:

“When a Third Party (3P) prior art submission is made against a pending patent application, at least one of the submitted prior art references should be used as much as possible in the next Office Action (OA). or the Examiner should be able to show to their SPE that the submitted art is no better than is already used. If an OA has already been mailed at the time of the 3P submission, and a new OA is then mailed that newly uses at least one of these submitted references, the Examiner shall get the credit of a final OA for the new OA, even if the new OA itself is properly non-final.”¹

Comments:

There is always the risk that a patent application will issue into a patent that is unfairly broad. When such happens, fair competition among companies is restricted, and questions are raised about patent quality.

When a pending patent application publishes, a third party (3P) may have on-point prior art they could submit against it. If the 3P is in the same industry as the Applicant, the 3P may have even better prior art than the Examiner could muster.

Upon noticing the pending application, the 3P has no obligation to submit its prior art. Perversely, this 3P has an incentive to NOT submit it. Indeed, if an unfairly broad patent does become so granted, it will restrict competitors, and thus will benefit the Applicant, *and also the 3P that did not report the prior art*. As to the issued patent, the 3P can privately obtain an invalidity opinion. The 3P may even reduce its risk of being sued by communicating the prior art to the patentee, privately or anonymously, right after that patent is issued.

¹ Subject to better terms and wording by those who make such rules.