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Subject: Comments re Proposed Rules

Sir or Madam,

The following are my comments re the rules proposals published in the Federal Register, Vol. 71, No. 1, January 3, 2006 beginning at page 48 and beginning at page 61.

Proposed 37CFR1.78(d)(1) provides, in effect, that a claim for benefit under 35 U.S.C. 120, 121 or 365(c) is limited to "only a single prior filed application" and 37CFR1.78(d)(1) provides the "Office will refuse to enter, or will delete if present, any specific reference to the prior-filed application that is not permitted by paragraph (d)(1) of this section." Thus, only one continuation will be permitted under this rule. Exceptions are provided as, for example, by petition showing to the satisfaction of the Director that the amendment, argument, or evidence could not have been submitted during the prosecution of the prior-filed application.

Often applicants can foresee prosecution events such as discovery of prior art related to the invention. This can come after amendment of the claims in response to a prior office action whereby the discovery is cited to the applicants in a final office action. Such events cause the applicant to narrow or broaden the claims. Also, often it is advantageous to maintain a continuing application for business reasons when there is litigation and amendment of the claims may be necessary to clarify the invention in view of, for example, an infringer who has designed around the claimed subject matter. These are just two of many examples of the importance of the continuation application process.

The limited continuation procedure provided in Rule 78(d)(1) adds additional expense for applicants and an additional burden on the USPTO (e.g., the petitions proceedings). This is an unreasonable burden on the applicants (e.g., attorney and petition fees and delay in prosecution of the application), unnecessarily complicates the Rules and adds additional burden on the USPTO when such resources should be used to address reduction of the backlog of patent applications.

35 U.S.C. 120 provides benefit of an invention disclosed in a prior filed application or benefit of "an application similarly entitled to benefit of the filing date of the first application." Notwithstanding the possibility to petition to have a second continuation, proposed 37CFR1.78(d)(1) and (d)(3) denies benefit of "an application similarly

entitled to benefit of the filing date of the first application" accorded by 35 U.S.C. 120 and is accordingly contrary to the statute.

Most importantly, the limitations on the continuation process proposed in these rules is viewed as an unwillingness of the USPTO to provide a patent examination process that will enable patent applicants to pursue patents in a flexible manner to coordinate their patent prosecution and their business decisions. The USPTO charges for each application to cover the USPTO's costs. Limiting the number of applications clearly sends a message that the USPTO is unable to manage the backlog despite the fact that they recover their costs. It is logical to hire and train more examiners. It is not logical to add impediments to filing patent applications.

It is noted that the filing fees for continuation applications are the same as for regular applications, yet examiners have already read and searched the disclosure (in the parent application) such that continuation applications are disposed of at lower cost to the USPTO and help the examiners to achieve their production goals. Undoubtedly, implementation of the above-noted rule reducing the number of continuation applications is going to frustrate each examiner's achievement of his/her production goal and will actually negatively impact the funds available to the USPTO to examine applications. This works against maintenance of the USPTO's budget and a trained experienced staff of examiners. Rather than improve the backlog, limitation of continuations is likely to increase it.

Proposed 37CFR1.75(b) provides, in part, that "more than one claim may be presented provided they differ substantially from each other and are not unduly multiplied." The Courts have ruled that applicants may choose the number of claims appropriate for their application. See *In re Wakefield and Foster*, 164 USPQ 636 (CCPA, 1970) wherein the Court stated:

Moreover, there is no statutory authority for rejecting claims as being "unnecessary." For these reasons, an applicant should be allowed to determine the necessary number and scope of his claims, provided he pays the required fees and otherwise complies with the statute. This brings us to the board's view that the number of claims was so large as to obscure the invention, thereby failing to comply with the second paragraph of 35 U.S.C. 112. Again we disagree. Each appealed claim is relatively brief and clear in its meaning. Examination of forty claims in a single application may be tedious work, but this is no reason for saying that the invention is obscured by the large number of claims. We note that the claims were clear enough for the examiner to apply references against all of them in his first action. We conclude that the board erred in affirming the multiplicity rejection. (Emphasis Added.)

See also *In re Flint*, 162 USPQ 228 (CCPA 1969) wherein the Court stated:

The principles applicable to the present situation are well established and were stated by this court in *In re Chandler*, 50 CCPA 1422, 319 F.2d 211, 138 USPQ 138, 148:

* * * applicants should be allowed reasonable latitude in stating their claims in regard to number and phraseology employed. The right of

applicants to freedom of choice in selecting phraseology which truly points out and defines their inventions should not be abridged. Such latitude, however, should not be extended to sanction that degree of repetition and multiplicity which beclouds definition in a maze of confusion. The rule of reason should be practiced and applied on the basis of the relevant facts and circumstances in each individual case. (Emphasis Added.)

The proposed action to limit the number of claims appears contrary to long standing case law.

It is noted that 35 U.S.C. 121 permits the Director of the USPTO to limit the claims to a single invention. But, there is no statutory authority that permits the Director to otherwise limit the number of claims of in an application. 35 U.S.C. 2(b)(2) permits the Director to make rules "not inconsistent with law."

The ability to file a continuation and to adjust the number of claims to fit the specific technology or client needs are important tools for providing patent protection. These tools have been available for decades. Removal of these tools will limit patent protection and harm U.S. industry.

An additional claims fee charge for claims in addition to ten is acceptable in that it would appear to increase the examiner's work. Such fee would be a much better alternative than the present above-noted proposed amendment.

For the above reasons, the rules limiting the number of continuations and number of claims are inconsistent with the law, harmful to patentees and assignees and is improper in view of the alternatives available, e.g., hiring, training and retaining additional examiners.

It is, respectfully, requested that these proposed rules be withdrawn and not be made effective.

Thanks,
Richard

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