

Minnesota Intellectual Property Law Association

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Accelerated Programs

- Project Exchange
- Petitions to Make Special
- Green Tech pilot program
 - 1681 Petitions Granted
 - 3251 Total Petitions
 - 290 Issued Patents
- Accelerated Examination Program
 - 137 days from filing to FA
 - 166 days to final disposition
 - 295 days from filing to issue
 - 76.6% allowance rate



Budget Outlook - Impacts

Postponed:

- Track One of the Three-Track Program
- Nationwide Workforce satellite office in Detroit

On Hold:

- Hiring—both for new positions and backfill
- All overtime

Reduced:

- IT projects
- Patent Cooperation Treaty (PCT) outsourcing
- Employee training



America Invents Act of 2011

Key Provisions:

- Fee setting authority
- First Inventor to File
- Patent Quality Improvements
- Establishment of a Micro-Entity filing category



Applicant Collaboration

Patent Examiner Technical Training Program (PETTP)

- leading experts from Samsung, Facebook, Yahoo have lead educational seminars for examiners

Peer-to-Patent Project

- 230 volunteer applications
- 98 have completed review process



First Action Interview Pilot Program

- Program now open to ALL applicants
- Has proven to be effective in promoting examiner-applicant communication prior to 1st Office Action
- Applicants embrace this change, and the pilot has been well received
- First Action Allowance rate for this pilot is 33%



Reexamination

- Reexamination is critical to the overall functioning of the USPTO patent processing system.
- Use of this vehicle in patent litigation continues to grow.
- Strong support from Director Kappos to improve the efficiency and functioning of the reexamination process
- Public forum to be held at the USPTO on June 1, 2011



e-Petition

Automated Petitions include:

- Withdrawal of attorney
- Withdraw from issue after payment of the issue fee
- Late payment of issue fee – unintentional standard under 37 CFR 1.155(c) or 37 CFR 1.316
- Revival under 37 CFR 1.137(f)
- Revival of an abandoned application under 37 CFR 1.137(b) for continuity purposes only



Clearing Oldest Patent Applications (COPA)

Challenges:

- High variability in workload volume as compared to resources in a few technology areas
- Unacceptable number of old cases still awaiting examination in our backlog

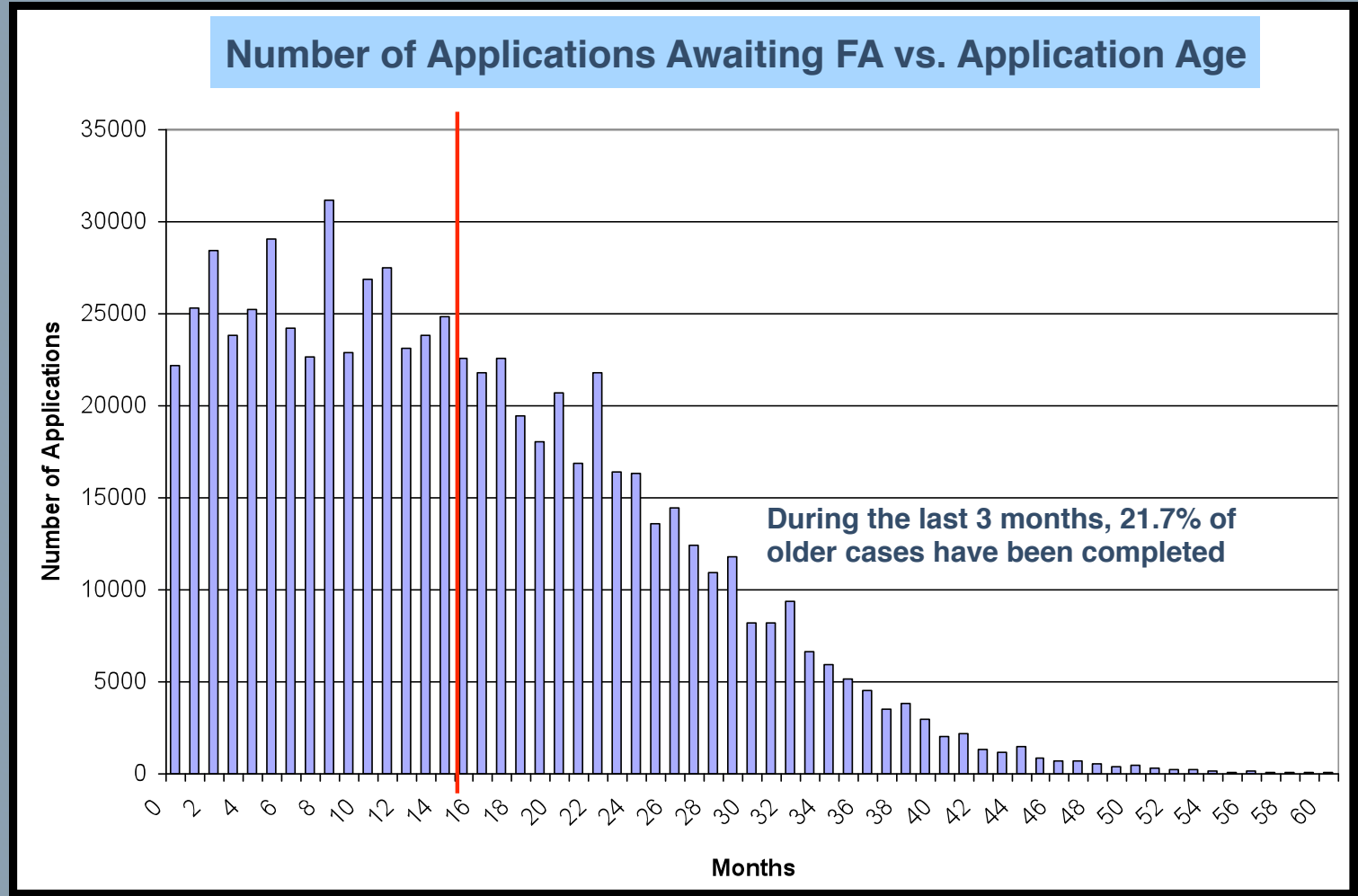
Solution:

- Analyze old case backlog distribution, and rebalancing workloads by sharing resources both within and across Technology Centers

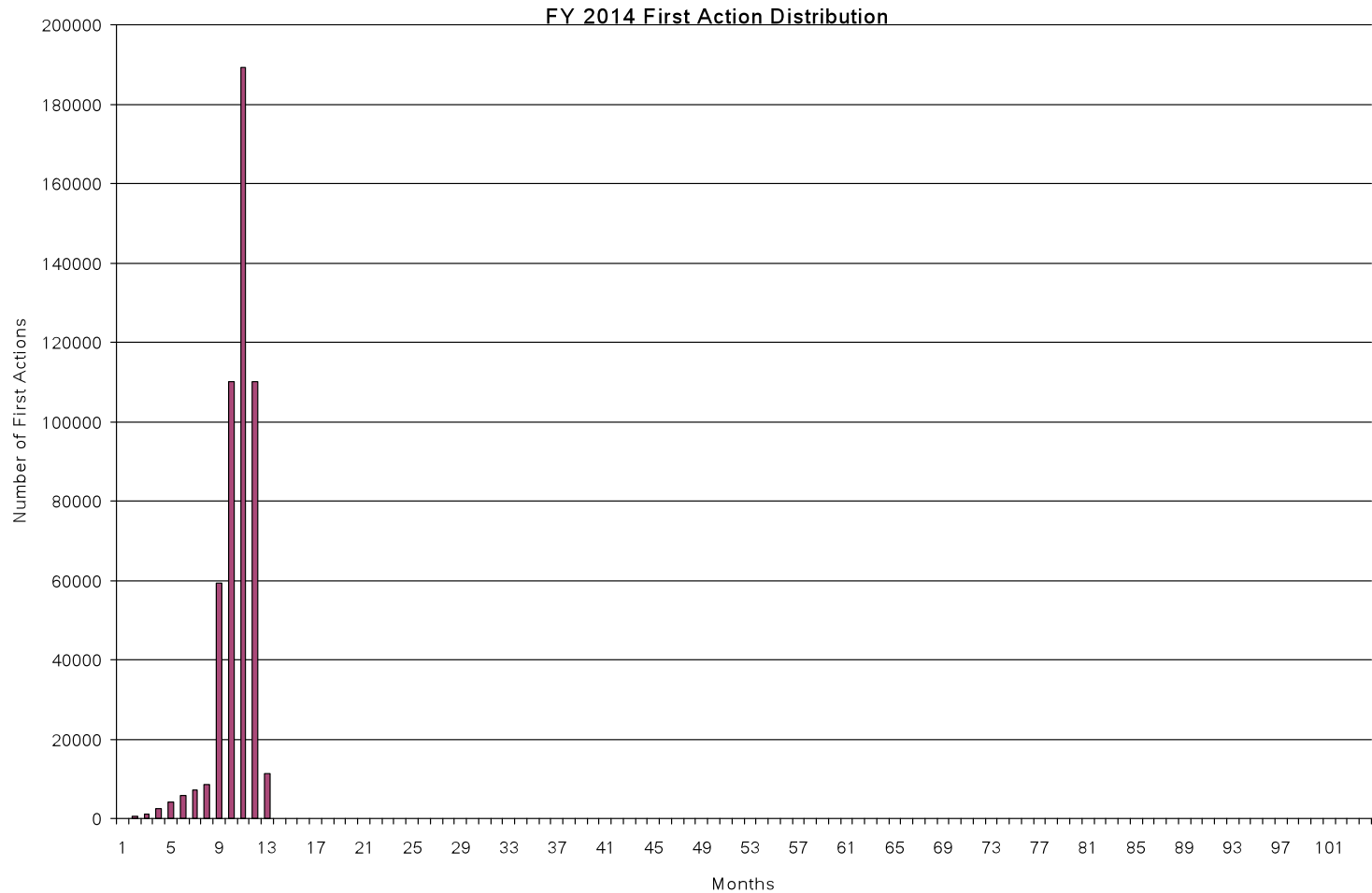


Workload Distribution

Number of Applications Awaiting FA vs. Application Age



First Action Output by 2014



New Management Model

- Analysis of classification boundaries to give more flexibility when docketing cases
- Art unit docket management
- Identify “Sister Technology” Areas to leverage examiner expertise
- Hiring/Overtime
- Match examiner resources to workload demand



International Collaboration

- Patent rights are a global issue for applicants; the USPTO must look for avenues to assist them
- Recent international discussions on harmonization, work sharing and classification are bringing the issue of global patent protection to the forefront of new policy decision points
- Resolving these issues are necessary to provide applicants with a comprehensive patent system



Patent Law Harmonization

- Patent laws remain the least harmonized of the world's IP laws
- Facilitates work sharing through coordination and collaboration
- Reduces applicant costs and speeds examination across multiple offices
- Timing to move these initiatives forward is very good – US Patent Reform is progressing nicely
- Good foundation through work on PPH, IP5, Trilateral projects exists today to help move towards global patent law harmonization



Patent Law Harmonization

- First-to-file - Patent Reform Act 2011 would put US on same footing as other IP offices
- Grace period
- Novelty
- Inventive step/non-obviousness
- Prior art / Secret prior art
- Eliminate Hilmer doctrine from US law
- Pre-grant submissions by third parties
- Disclosure requirements



Patent Law Harmonization

- Would NOT raise the level of protection, and in our view would greatly benefit small offices and large offices alike
- Substantial benefits such as consistent patent examination standards throughout the world, reduced patent office workloads and higher patent quality



Work Sharing

Programs:

- Patent Prosecution Highway (PPH)
- PCT-PPH Pilots
- SHARE-type initiatives
- PCT
- IP5 Foundation Projects

Benefits: Reduces rework, and speeds multiple filing and examination



Patent Prosecution Highway

- Provides quicker patentability determination in multiple jurisdictions
- Fifteen participating offices
- To date the total number of PPH requests filed exceeds 6,000.
- Goal for Fiscal Year 2011 is to increase the total number of requests filed to 8,000



Patent Prosecution Highway

USPTO Allowance Rates:

- Paris PPH Cases – 92%
- PCT-PPH Cases – 98%
- Non-PPH Cases – 46%

USPTO Actions Per Disposal

- Paris-PPH Cases – 1.88
- PCT-PPH Cases – 1.17
- Non-PPH Cases – 2.41



Patent Prosecution Highway

Benefits to Applicants

- Cost Reduction:
 - Reduces cost of US prosecution
 - Reduced RCE's and Appeals
 - Avoid cost of accelerated exam requirements
- Higher Quality Decisions
- Speeds Examination:
 - Consistent with Compact Prosecution
 - Consistent with Early Interviews



PPH – next steps

PPH 2.0:

- More streamlined and user-friendly PPH framework
- Move to a centralized framework – a “Plurilateral PPH”
- Minimizes differences in practice, procedure and interpretation of basic requirements among offices
- Easier navigation of the PPH landscape



Three Track

Track 1 – 'go fast'

Track 2 – default, current process

Track 3 – 'go slow'



Track One

- Final disposition within 12 months of prioritized examination request grant
- A proposed fee for prioritized examination to be set at full cost recovery
- The application must be filed via the Office's electronic filing system (EFS-Web)
- The application contains or is amended to contain no more than four independent claims and thirty total claims



Track Three

- Applicant can request a delay in docketing by filing a request for delay; but must pay the search fee, the examination fee, the claims fees and the surcharge (if appropriate) for a maximum period not to exceed thirty months
- All applications will be published at 18 months (non-publication request not permitted)
- Upon expiration of the 30-month period from the earliest relied upon filing date applicants must
 - (1) affirmatively request examination (similar to an international application), and
 - (2) pay any of the fees that were deferred
- After the 30-month period the application is treated as a Track 2 application docketing priority is based upon the date examination was requested rather than the application filing date



Track Two

Track 2: Basics

- Track 2 is the default track
- Prioritization and PCT timing does not need to be requested.
- The pendency of Track 2 will be used for planning and reporting



Three Track - Benefits

Tools for reducing Pendency:

Track 1 - more resources devoted to the accelerated exam which results in increased output

Track 3 - the reuse of search and examination work done by other offices would result in greater efficiency

- “test the waters” because applications are of questionable value and might ultimately not pursue examination
- Gives applicants with applications first filed abroad the opportunity to make their final decision on pursuing application examination



Improving Quality

- All Quality measures met our targets in FY 2010
- Shift resources from the “second-pair-of-eyes” effort to a front-end quality program that assists examiners early in the examining phase
- Five new measures of patent quality were developed through the Patent Quality Task Force study, bringing the total quality metrics to seven



Quality Metrics

Existing Measures:

Final Disposition Compliance Rate

- *propriety of final dispositions of applications*

In-Process Compliance Rate

- *propriety of Office actions on the merits during the prosecution*

New Measures:

First Action on the Merits Search Review

- *degree to which the search conforms with the best practices of the USPTO*

Complete First Action on the Merits Review

- *degree to which the first action on the merits in an application conforms with the best practices of the USPTO*

Quality Index Report (QIR)

- *statistical representation of quality-related events in the prosecution of the patent application*

External Quality Survey

- *experiences of patent applicants and practitioners with USPTO personnel and examination issues*

Internal Quality Survey

- *experiences of examiners with internal and external interactions and issues*



Conclusions

- Our strategic priorities guide us to the goal of reducing pendency and backlog, and contribute to the improvement of the global IP system
- The USPTO has launched new initiatives that bring new ways of thinking; an open-minded thinking to our Agency
- We have embraced transparency and openness because collaboration with our partners and our applicants brings us the insight we need to reach all of our goals



Thank You

