



UNITED STATES PATENT AND TRADEMARK OFFICE

***San Francisco Intellectual Property
Law Association***

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Commissioner for Patents
United States Patent and Trademark Office**



News from the USPTO

- **35 U.S.C. §112 Supplementary Guidelines**
- **Continuing Resolution**
- **Patent Reform Act of 2011 – S.23**
- **Detroit – pilot for a nationwide workforce**
- **Track 1**
- **PPH**
- **Harmonization**



Patent Reform Act of 2011

Key Provisions:

- **First Inventor to File**
- **Fee setting authority**
- **Patent Quality Improvements**
- **Establishment of a Micro-Entity filing category**
 - **Establishes small entity fee reduction of 50% and a micro-entity fee reduction of 75%**



Nationwide Workforce

- **Pilot program announced for a Detroit office**
- **A working model to see how well our examiners function outside of the main campus**
- **Taps a pool of highly qualified workers in the Detroit area**
- **Steps up our customer interface and community presence**



Transparency and Engagement

- **Patent Examiner Technical Training Program (PETTP)**
- **Peer-to-Patent Project**
- **MPEP Collaboration Tool**



Enhanced Examination Timing Control -

“Three-track”

- Track 1 – ‘go fast’
- Track 2 – default, current process
- Track 3 – ‘go slow’



Three Track

Track 1: Accelerated exam

- **Final disposition within 12 months of prioritized examination request grant.**
- **A proposed fee for prioritized examination to be set at full cost recovery.**
- **Other existing prioritization programs and pilots will not be changed by implementation of Track I.**



Three Track

Track 1 Fees for Prioritized Exam:

Large Entity:

- \$4,000 prioritized examination fee
- \$1,090 filing fees
- \$300 publication fee
- \$130 processing fees

\$5,520 TOTAL

Small Entity:

- \$4,000 prioritized examination fee
- \$545 filing fees
- \$300 publication fee
- \$130 processing fees

\$4,975 TOTAL



Three Track

Track 1: Accelerated exam requirements:

- **Limited to applications filed on or after implementation date.**
- **The annual number of Track 1 filings may have a maximum limit.**
- **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.**
- **Planned Implementation - May 2011.**



Three Track

Track 3: Basics

- Applicant can request a delay in docketing the application for examination.
 - by filing a request for delay in payment of the search fee,
 - the examination fee,
 - the claims fees and the surcharge (if appropriate) for a maximum period not to exceed thirty months.
- Allows applicants to make informed decisions about whether to prosecute an application.



Three Track

Track 3: Basics

- **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**



Three Track

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

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**



Additional Accelerated Programs

- **Green Tech pilot program**
- **Project Exchange**
- **Accelerated-Examination Program**



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**



Patent Law Harmonization

- **Eliminate Hilmer doctrine from US law**
- **Pre-grant submissions by third parties**
- **Disclosure requirements**
- **Final Note:**
 - **Harmonization on these issues would NOT raise the level of protection, and in our view would greatly benefit small offices and large offices alike.**



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 5,400.**
- **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



Improving Operational Efficiency

- **Reengineering patent processes**
- **Patents 'end-to-end' IT development initiative**
- **Pendency Reduction Initiative – COPA**



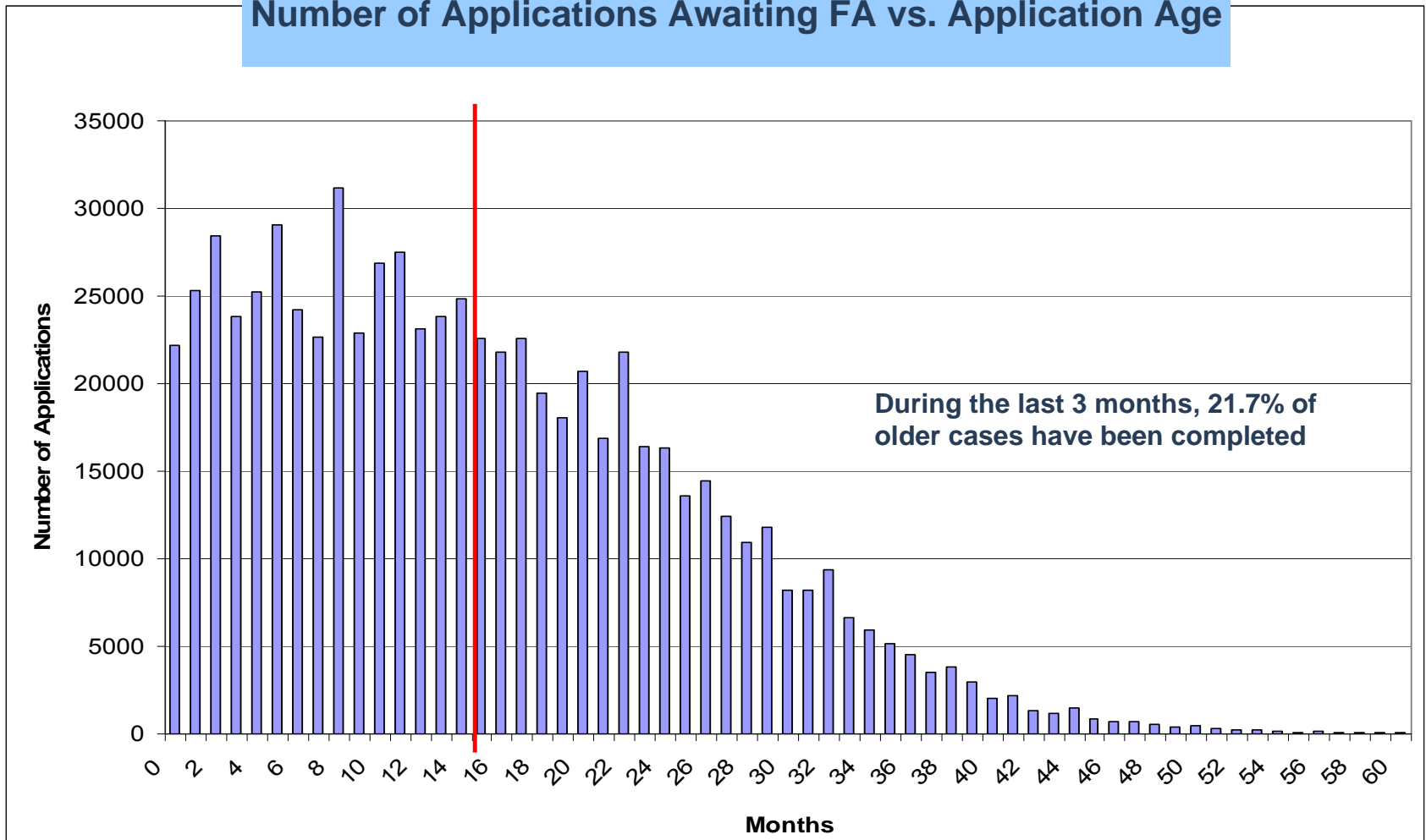
Clearing Oldest Patent Applications (COPA)

- **Challenges:**
 - a high variability in workload volume as compared to resources in a few technology areas
 - an 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



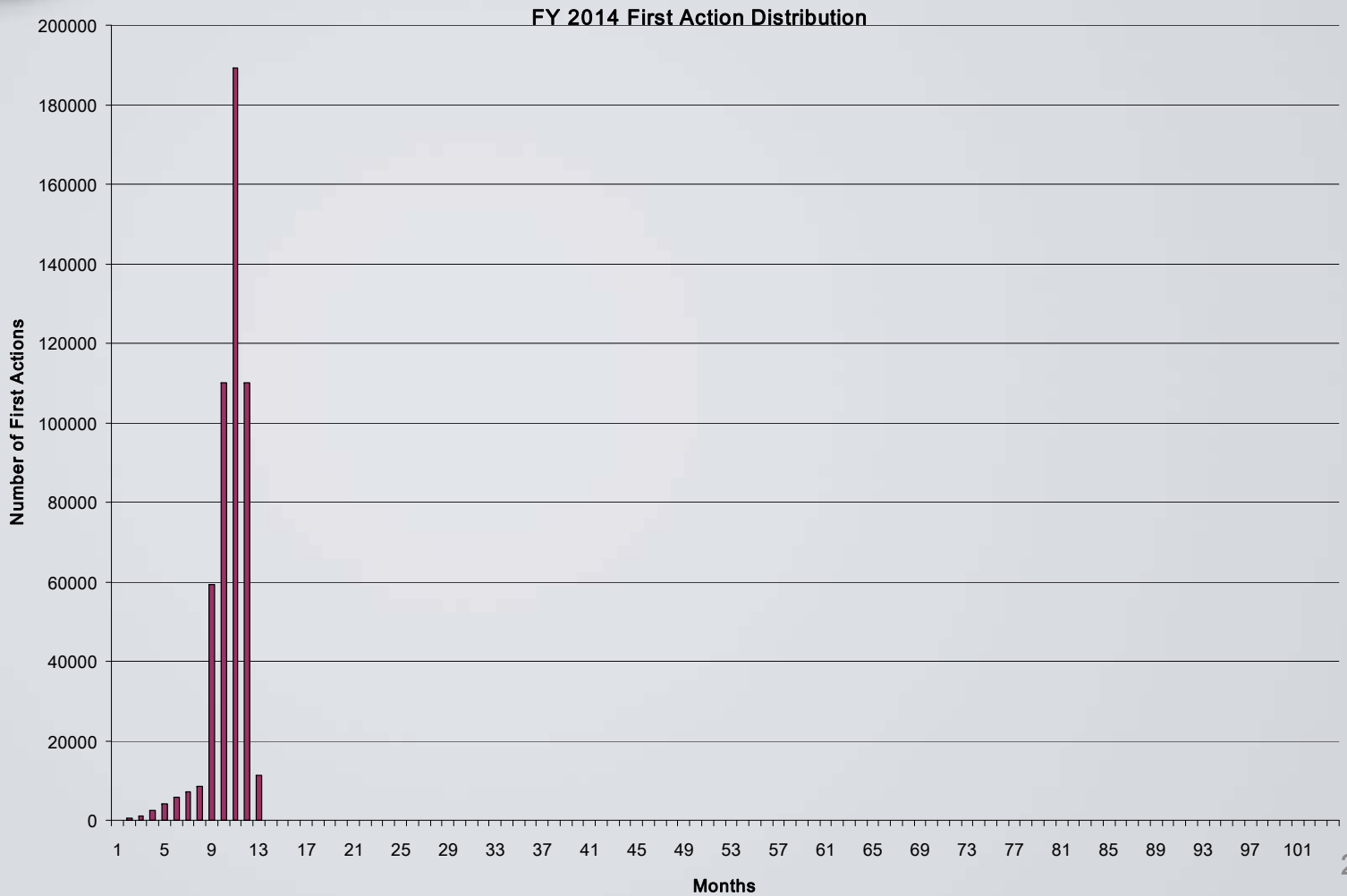
Workload Distribution

Number of Applications Awaiting FA vs. Application Age





First Action Output by 2014





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**



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