

From: Cheryl Milone [email redacted]
Sent: Wednesday, May 06, 2015 11:42 PM
To: WorldClassPatentQuality
Subject: Comments from ipCreate

Dear Sirs/Madames,

Please see the attached Comments and thank you for the opportunity to contribute.
Best,

Cheryl Milone B.S.E.E, Esq.
ipCreate Inc.

Chief Marketing Officer, Patent Strategy Counsel

[email redacted]

C: 917.881.9015

T: ArtOneChairman

S: CherylMilone

IN: CherylMilone

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May 6, 2015

The Honorable Michele Lee
Deputy Under Secretary of Commerce for Intellectual Property and
Deputy Director of the United States Patent and Trademark Office
United States Patent and Trademark Office
60 Dulany Street
Alexandria, VA 22314 *Via email: [WorldClassPatentQuality\[at\]uspto.gov](mailto:WorldClassPatentQuality[at]uspto.gov)*

**Re: Comments on: “Enhancing Patent Quality,”
 8 Fed. Reg. 64 (Feb. 5, 2015)**

Dear Deputy Under Secretary Lee:

ipCreate, Inc. (“ipCreate”) respectfully submits its comments on “Enhancing Patent Quality,” 80 Fed. Reg. 64 (Feb. 5, 2015).

ipCreate’s leadership commends the U.S. Patent & Trademark Office (USPTO) for its efforts to improve patent quality, and to provide an opportunity to the public to participate in the two-day, in-depth Patent Quality Summit held on March 25-26, 2015, which was presented in the same 80 Fed. Reg. 645 notice.

Summary:

The USPTO requests feedback for specific questions. This Comment focuses on two of the USPTO’s questions, as follows:

- i. Are there aspects of enhanced quality other than the three “pillars” previously described that should guide the USPTO's enhanced quality initiative?
- ii. What should be included at the time of application filing in order to enhance patent quality?

8 Fed. Reg. 6477.



The buzzword of the day is patent quality. All stakeholders in the patent industry, business community and government agree that higher-quality patents are critical for a well functioning patent. There are myriad efforts underway to increase patent quality, and they are all laudable, but these efforts are all treating the symptoms while ignoring the cause. Some of these changes can be achieved during the prosecution process at the USPTO, but industry stakeholders, such as inventors and patent agents and attorneys, can accelerate the improvement of patent quality by making changes to patents as input into the process when patent applications are filed.

We advocate the position that (i) an additional pillar for consideration in Enhancing Patent Quality is providing applicants with objective standards representing the components of patent applications that support quality, an objective measurement of the quality of patent applications as input to the USPTO, and a formal acknowledgement of the measurement on a relative basis for applications; and, (ii) the application as filed should include the objective components of patent applications that support quality, resulting in a formal acknowledgement of the application as high quality, and supporting Examiners, in order to optimize analysis during prosecution-based on higher quality applications.

The objective criteria can be assessed with input from both the Examining Corps and representatives of the public, inventors, patent attorneys and agents. One paradigm for consideration are objective criteria related to the components of the application that present the USPTO with the most challenge when examining the application, and the public the greatest difficulty in ascertaining the breadth and scope of the claims. Such objective criteria can include the total number of claims in the application (for example, 2 or less), whether or not the patent is a child of a parent application (indicating whether earlier analysis of the subject matter is available), whether or not an Information Disclosure Statement has been filed, and its contents, including the citation of patents versus non-patent literature.



In addition, to incentivize patent applicants to target meeting the objective criteria established as the hallmark of high-quality applications, applications can be measured and then rated relative to each other with the highest relative scoring applications acknowledged as high-quality input, and the lowest relative scoring applications acknowledged as lower-quality input. While formal acknowledgement and use of this relative outcome during prosecution, and even in USPTO post-grant proceedings, can be of great value, even without formal finding, applicants are likely to strive for meeting the criteria in order to achieve the high quality rating, resulting in higher quality patents overall.

Discussion:

Patents do not become low quality after emerging from the patent office. They originate and then are granted in that form, and only later, when a fraction of patents are actually litigated or involved in a high-profile transaction, does the quality of the patent become an issue. This wastes not only precious public resources in our court system, but ultimately undermines the entire patent system, reducing the value of all stakeholders who apply funding and resources to secure these rights as a foundation of our economy.

The USPTO is doing its part to support higher-quality patents by launching the Patent Quality Initiative, and requesting the public's comments on Enhancing Patent Quality, including rigorous public brainstorming sessions and programs already underway. However, the ongoing efforts outlined in the notice (80 Fed. Reg. 6477) focus on improving the work of the official who reviews filed applications, communicates with inventors and ultimately determines whether or not to grant a patent, called USPTO Examiners. To date, there are ample current and proposed measures of the quality of work and process of Examiners (which at base must be a management function of oversight for skilled employees), but there is *no* standard today for measuring the quality of the patent application content presented to Examiners. It stands to reason that quality in will support quality out, as well as the obverse.

Imagine, as USPTO Examiner, picking up one patent application (1) to find 10 different descriptions of an invention (patent applications contain multiple versions of an invention in numbered paragraphs called claims in order to capture narrow-to-broader versions of the invention) using inconsistent terms, with no definitions of the terms in the description of the claims (called the specification), leaving the Examiner to attempt to find general definitions. Then, in the specification, the technology is not fully presented to enable someone to create the invention, with figures and clear descriptions of the components of the technology. Imagine, in contrast, picking up another patent application (2) to find 2 claims with consistent terms defined within glossary section of the specification and a detailed and clear technology description with which a person in the industry could ascertain the boundaries of the technology. How much time will (1) versus (2) take? Examiners are allotted the same amount of time for each.

The Examiner also has to research earlier dated publications than the application (called prior art) to see whether or not the technology described within the earlier dated publications shows what is in the application. If it does, then the application is not entitled to patent rights because the inventor was not the first to make public the invention. Add to (1) that the inventor doesn't give the Examiner any of the earlier dated publications and for (2) comprehensive set of publications is provided, allowing the Examiner to focus on substance.

Assuming both (1) and (2) are granted, which patent application will produce a higher-quality patent that can be understood by the market? patent granted for (2). Are the formal legal rights different given the obvious differences in the substantive content of the patents? No, both have the same legal right of being presumed to be validity granted. What is the impact on the quality of the process of evaluating both? Low-quality input can make the evaluation of (1) curt, and it may improperly be granted, but also limit the time available for an evaluation of (2) if there are enough (1)s on the Examiner's plate. No multiply these across a Examiner's docket. While this may be sorted

out, albeit in extended and costly litigation, not just for the parties but also for public resources, the damage to the credibility of the patent system is far worse.

As a result, today, there is widespread agreement that our patent system is in crisis. However, the approaches to resolving the issue address the symptoms – low-quality patents asserted in litigation – and not the problem.

What is the path through to the clarity of the original intention of the patent system – to promote invention? It lies in the hands of each stakeholder, not just judges, USPTO officials or politicians, but the public for which the patent system provides an opportunity to gain a legal monopoly to novel and useful inventions. One must be subject to the obligations from a system in which one receives benefits, as is classically presented in Plato’s Credo.

Quality imbued in the initial foray into this government-granted monopoly – the patent application itself -- is the problem, and the solution is the responsibility of patent applicants to provide the USPTO, in the first instance, with the clearest possible description and claim scope, as well as the most comprehensive prior art collections, in order to enable the USPTO to optimize its job and success in granting higher-quality patents. Those who apply for patent applications should be charged with the same objective of improving patent quality as patent owners downstream, with a clear recitation of the invention presented in a patent application, clarity and well-defined bounds of the invention itself, with detailed description showing (or enabling) the industry to clearly ascertain the property right, with figures representing components of the technology enabling others to create it, descriptions which build upon the technology descriptions and clear definitions of key terms, claims of a reasonable overall number and of an appropriate scope for a reasonable execution of the invention. The benefit of doing this is not just for the patent owner “gold plating” his or her own patents, but of enabling the USPTO to better do its job and, overall, to increase the credibility and value of patent assets.

How can these components indicating high-quality patents be implemented by the USPTO in a systematic approach that will result in increased patent quality. The USPTO presented the following questions:

- i. Are there aspects of enhanced quality other than the three “pillars” previously described that should guide the USPTO's enhanced quality initiative?
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8 Fed. Reg. 6477.

We advocate the position that (i) an additional pillar for consideration in Enhancing Patent Quality is providing applicants with objective standards representing the components of patent applications that support quality, an objective measurement of the quality of patent applicants as input to the USPTO, and formal acknowledgement of the measurement on relative basis for applications; and, (ii) the application as filed should include the objective components of patent applications that support quality, resulting in a formal acknowledgement of the application as high quality, and supporting Examiners, in order to optimize analysis during prosecution-based o higher quality applications.

The objective criteria can be assessed with input from both the Examining Corps and representatives of the public, inventors, patent attorneys and agents. One paradigm for consideration are objective criteria related to the components of the application that present the USPTO with the most challenge when examining the application, and the public the greatest difficulty in ascertaining the breadth and scope of the claims. Such objective criteria can include the total number of claims in the application (for example, 2 or less), whether or not the patent is a child of a parent application (indicating whether earlier analysis of the subject matter is available), whether or not an Information Disclosure Statement has been filed, and its contents, including the citation of patents versus non-patent literature.



In addition, to incentivize patent applicants to target meeting the objective criteria established as the hallmark of high-quality applications, applications can be measured and then rated relative to each other with the highest relative scoring applications acknowledged as high-quality input, and the lowest relative scoring applications acknowledged as lower-quality input. While formal acknowledgement and use of this relative outcome during prosecution, and even in USPTO post-grant proceedings, can be of great value, even without formal finding, applicants are likely to strive for meeting the criteria in order to achieve the high quality rating, resulting in higher quality patents overall.

In addition to the top-level objective criteria identified above as components of patent quality, there are sophisticated approaches which inventors, applicants, patent attorneys and agents can undertake to increase patent quality. While standardizing these and creating objective criteria can be more nuanced, they are presented for further reflection and refinement.

First, inventors generally have knowledge of the prior art before or as part of inventing and sometimes patent counsel does a base prior art search by hiring search professionals. The search results can be used to limit or change the invention to support novelty and non-obviousness in view of the prior art. This can result in newly focused invention. With the newly focused invention, the additional step can be taken of further prior art research using best practices tools, such as advanced expert searching and crowdsourcing. When the additional round of prior art is completed, further refinement and expansion of the invention can be pursued. From business perspective, this also is an opportune time for the inventor to consider the features of products covered by the patent for which the inventor seeks exclusivity, and redesign or refine products to maximize the value of products backed by patent assets.

Second, applying inventor tools at the invention development level, with the use of quality inventor tools at the invention disclosure level is desirable. For instance, tools that can help predict whether or not an invention meets the standards presented in the U.S. Supreme Court's Alice v. CLS Ban decision,^a the USPTO Guidelines and examples,^b as well as novelty and non-obviousness. Tools



enabling inventors to consider these criteria in determining how they actually develop their inventions would be valuable. In order to have better inventions, we need to create tools for inventors.

Third is a review of the invention disclosure for financial impact. For instance, is the invention a large portion of a final product, easily reverse engineered or implemented or likely to drive the purchasing decisions of suppliers or end customers? To improve the quality of an invention before its filed, it would be reasonable to analyze the invention through the filter of business relevancy and impact. The USPTO generally does not have visibility into this aspect of patent applications, except when the applicant responds to an obviousness rejection and has evidence to support objective indicia of non-obviousness. However, incorporating these factors into the decision making of the breadth of claims increases the relevance and value of the invention in the first instance and, therefore, increases quality.

Fourth is a review and enhancement of enablement and engineering in the specification. For example, when an inventor is using a user interface, adding a comprehensive database structure for the user interface and software methods that integrate the flow of information. By analyzing more deeply the “how” of the inventor, tremendous insights and new areas of novelty can be uncovered. In the example above, a user interface input can be influenced by another factor (such as data or an algorithm). The analysis of “how” results in more detailed and stronger descriptions of the technology. As a result, the USPTO is supported to more accurately apply the relevant standards, such as Alice.

From an economic perspective, improving the quality of patent applications will result in cost savings to applicants, as the expected outcome is an increase in patents granted. So the additional costs required to achieve quality by increasing the grant rate and, conversely, decreasing the expenses on patent applications of unknown quality, that eventually are rejected. Similarly, a patent portfolio built on a consistent approach of quality at the outset of inventing yields value that can outweigh additional



preparation costs by multiples. With investment in patent assets being critical to market capture, optimizing the investment is the rational decision.

Respectfully Submitted,

John Cronin
CEO

Cheryl Milone
Chief Marketing Officer
Patent Strategy Counsel

ipCreate Inc.

^a 35 U.S.C. § 101; *Alice Corp. Pty. Ltd. v. CLS Bank, International* 573 U.S. ___, 134 S. Ct. 2347 (June 19, 2014). ^b http://www.gpo.gov/fdsys/pkg/FRe_2014e_12e_16/pdf/2014e_29414.pdf
http://www.uspto.gov/patents/law/exam/abstract_idea_examples.pdf