



Practitioner Responsibilities: Should we rethink whether the duty of reasonable inquiry requires prior art searches?

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Why Ask Now? The Paradox

- Increasing Filing Rates
- Decreasing Allowance Rates
- Greater Availability of Information to Applicants to Evaluate Prospects for Patent Grant
- Greater Application Pendency Time, Increased Continuation Practice



Developments in Online Availability of Patent Information

Issued Patents

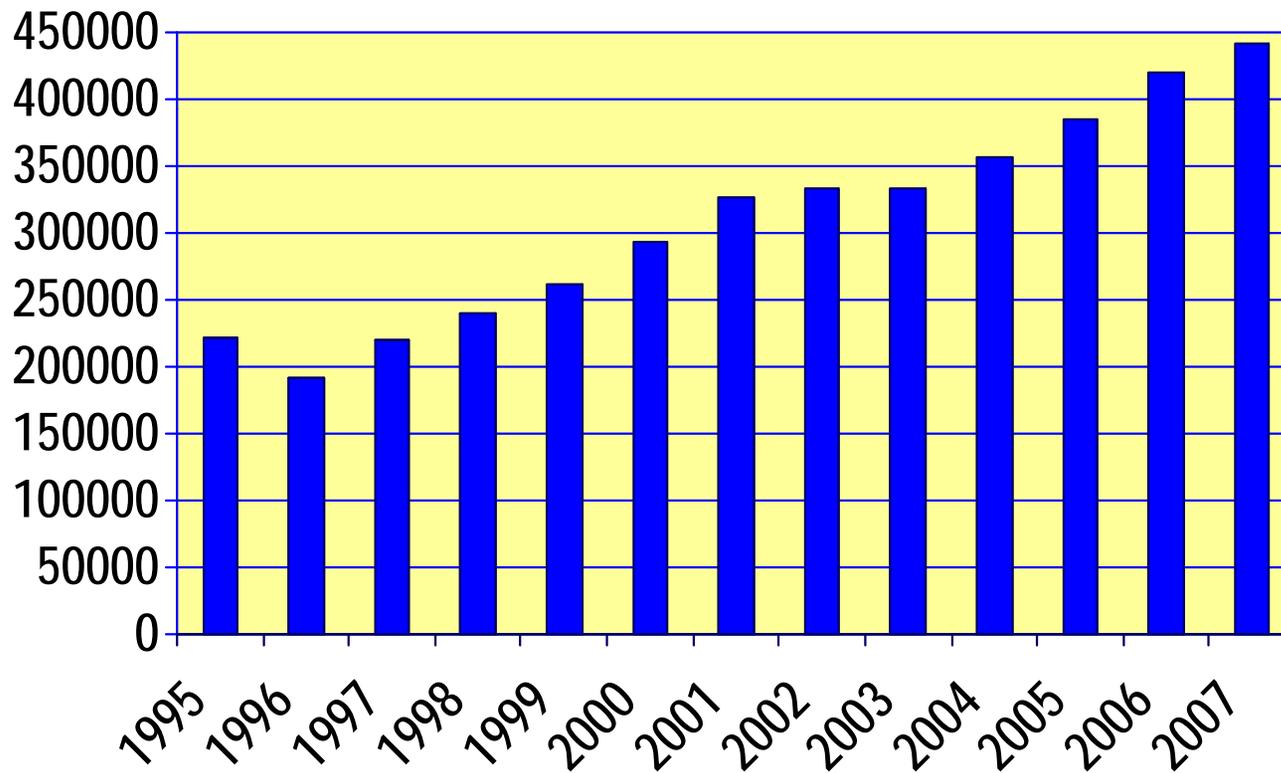
- March 26, 1999 Patent Full-Page Images, for patents issued 1976-present
- November 19, 1998 Patent Full-Text, for patents issued 1976-present
- October 1, 2000 Expanded to include patents issued 1790-present

Patent Applications

- July 30, 2004 File Wrapper Images of published or patented applications made available through Public PAIR



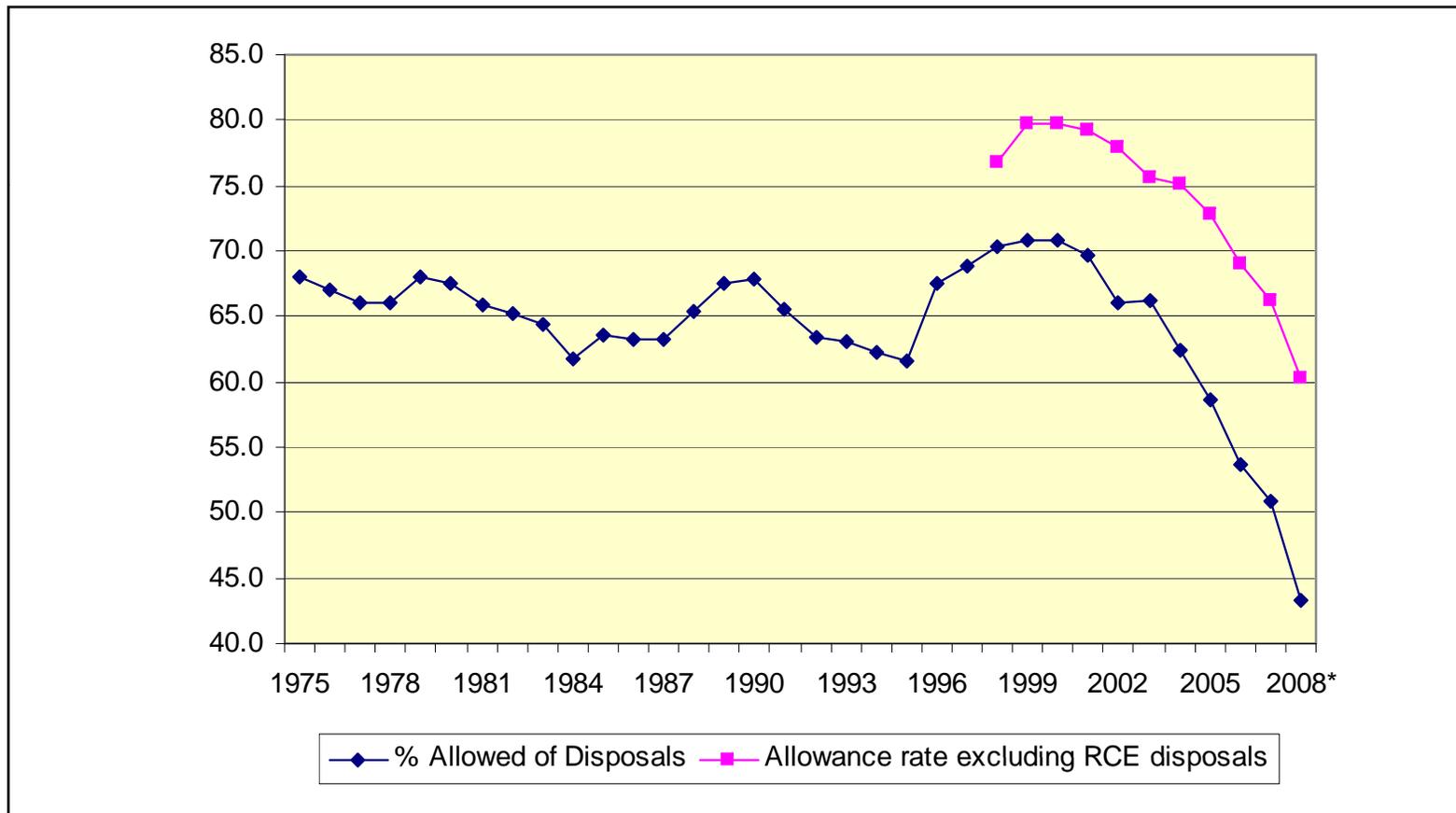
UPR Applications Filed



- FY '06 419,760
- Growth of 9.2% from '05
- FY '07 441,637
- Growth of 5.2% from '06



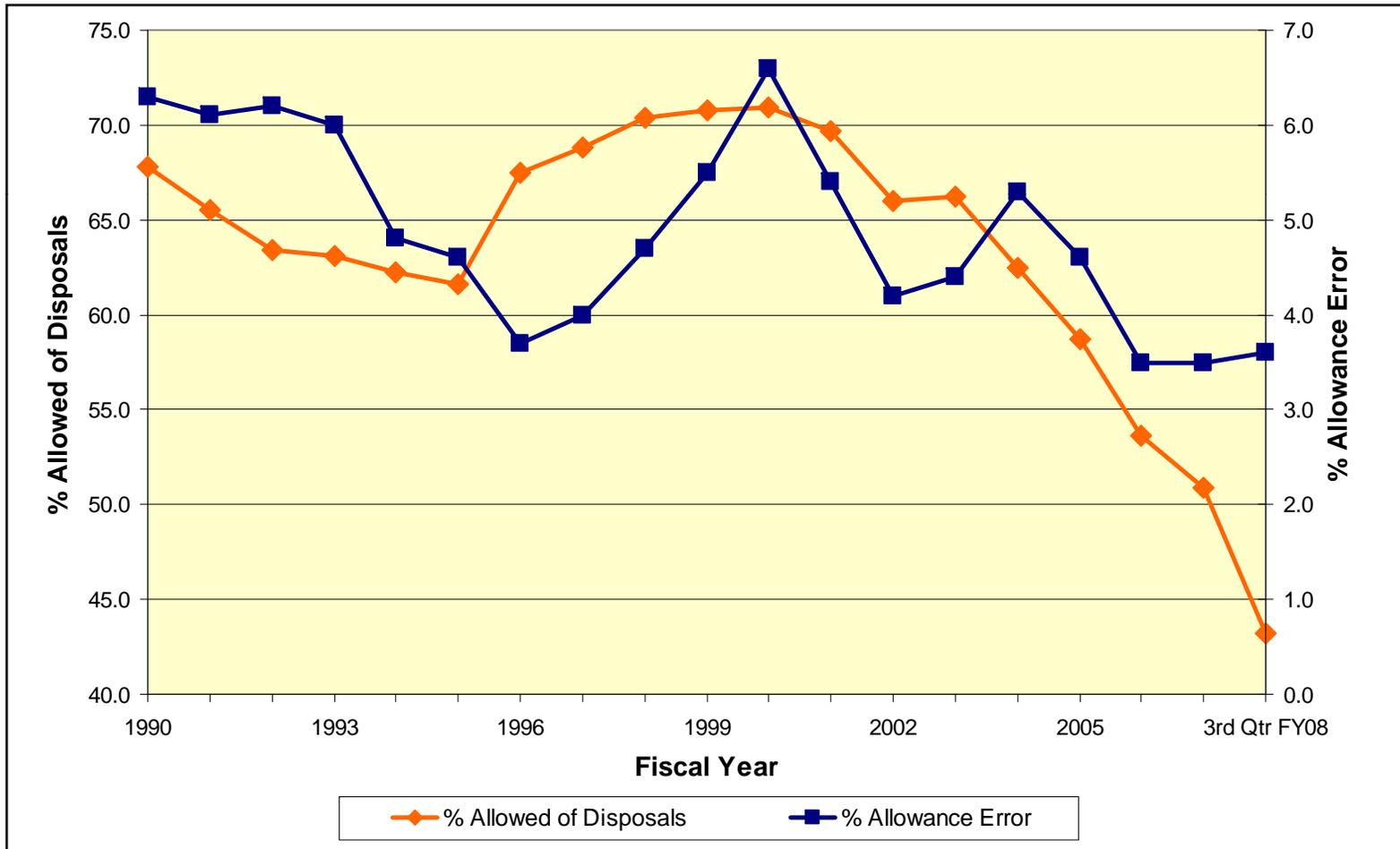
Allowance Rate over Time



Data is through the 3rd Quarter of 2008.



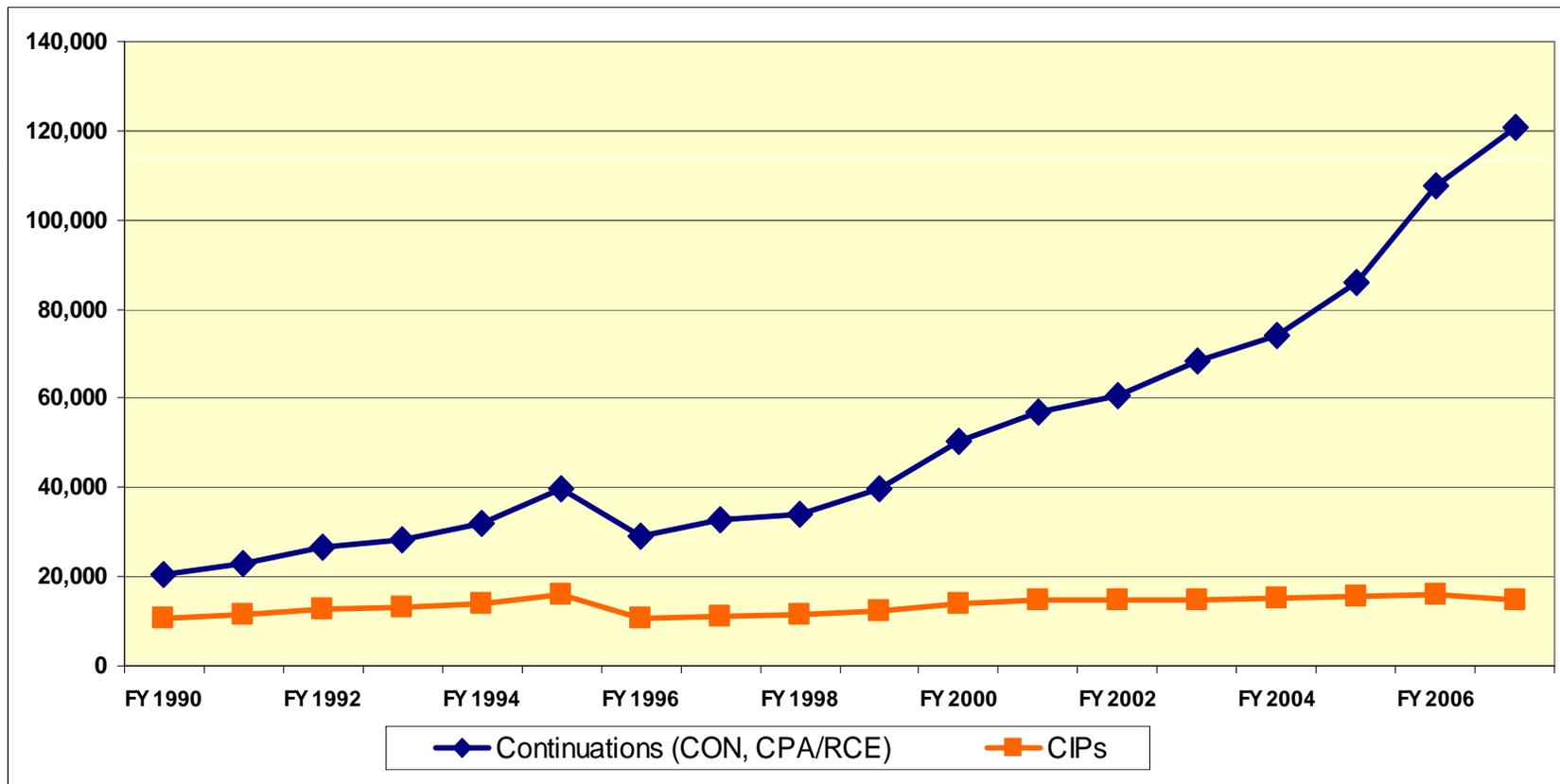
Error and Allowance Rates



Data is through the 3rd Quarter of 2008.

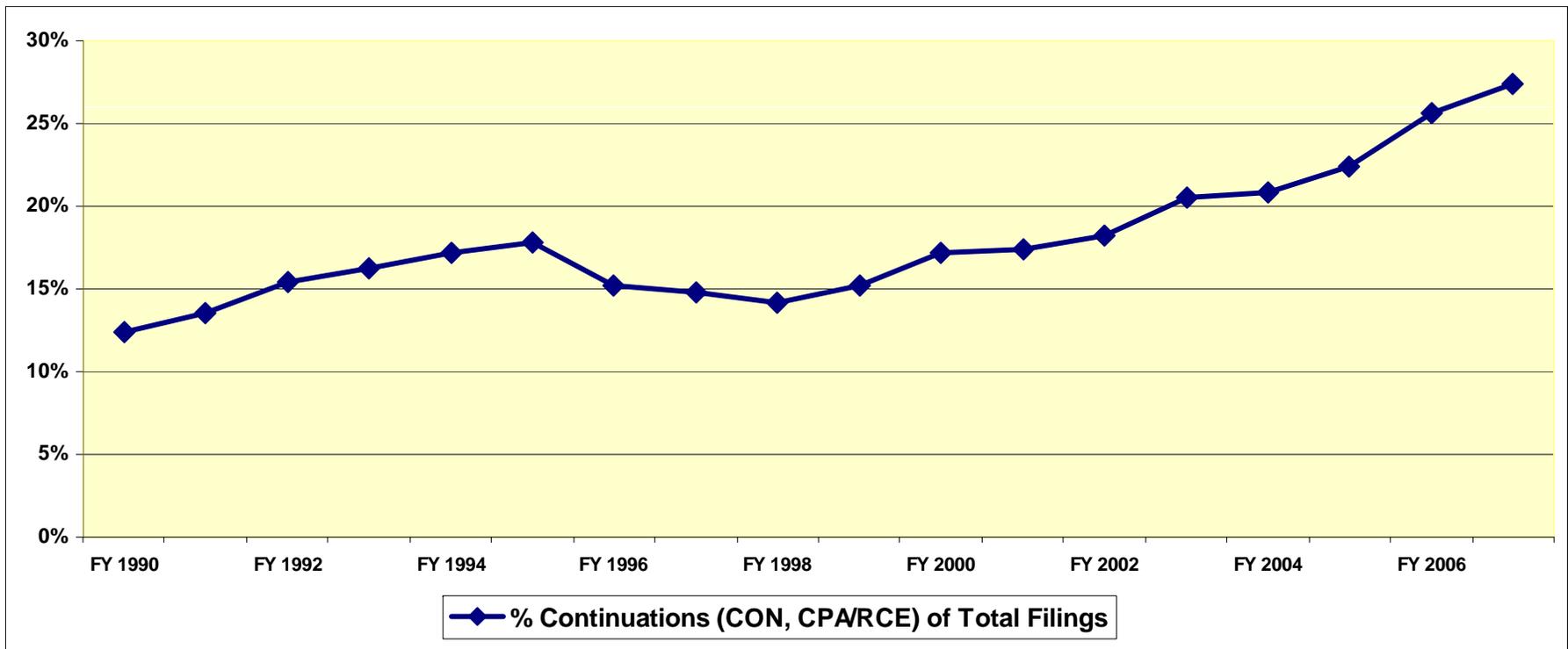


Continuation Filing Rates



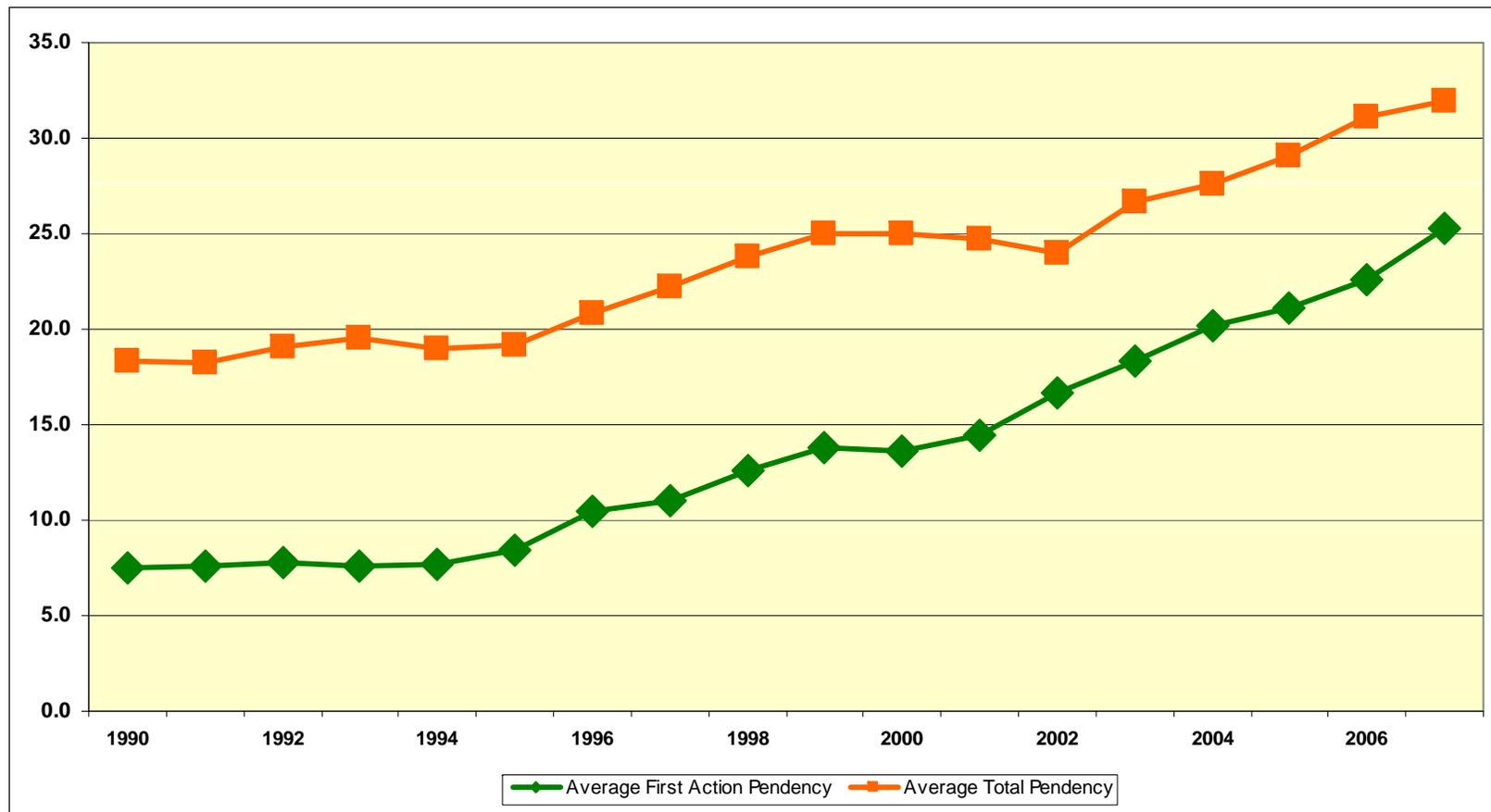


Continuation Filing Percentage





Pendency in Months





Applicant Responsibility

- “Applicants must take responsibility for quality patent preparation and prosecution and not rely solely on examiner”
- “Corporate filers should conduct a pre-filing search citing the most relevant art to the examiner”

Mark Adler, IPO President, “Quality Patent Examination and Prosecution,” Trilateral Public Users Conference, Washington, D.C., November 8, 2007



Applicant Advantages

- Write claims in view of known art
 - ↪ Avoid unnecessary prosecution history estoppel due to amendments to avoid cited art
 - ↪ Avoid unnecessary prosecution, continuation time due to amendments that could have been made unnecessary
- Avoid time spent on unnecessary filings, obtaining patents with scope of little value
- Don't rely on examiner search alone to assure value of IP asset



System Advantages

- Concentrate scarce examination resources on applications with reasonable chance of success
- Clearer claims likely to issue
- Reputational advantage for patent system of shared responsibility



Applicant Responsibility – The Unknown Rule

- 37 C.F.R. 11.18 (b) “By presenting to the Office ... any paper, the party presenting such paper, whether a practitioner or non-practitioner, is certifying that...**(2) to the best of the party’s knowledge, formed after an inquiry reasonable under the circumstances, that --**



Applicant Responsibilities – Rule 11.18 (b)(2)

- “(i) The paper is not being presented for any improper purposes, such as to cause unnecessary delay or needless increase in the cost of prosecution before the Office
- “(ii) The claims and other legal contentions therein are warranted by existing law or by a nonfrivolous argument for the extension, modification or reversal of existing law...”



But – USPTO Gloss on Rule

MPEP 410: “An applicant has no duty to conduct a prior art search as a prerequisite to filing an application for patent. [citing case law] Thus, the ‘inquiry reasonable under the circumstances’ requirement of 37 CFR 10.18 does not create any new duty on the part of an applicant for patent to conduct a prior art search.”



Developments May Affect Logic of USPTO Gloss

- *MPEP* section written when applications were not published and patents were not online
- *Bogese*: USPTO may by rule impose obligations on applicants that would not be required under inequitable conduct doctrine. In re *Bogese*, 303 F.3d 1362 (Fed. Cir. 2002).
- *Brand X*: Agencies are entitled to deference in promulgating rules notwithstanding prior court interpretations of statute independent of agency interpretations. *National Cable & Telecommunications Assn. v. Brand X Internet Services*, 545 U.S. 967 (2005)



Recent USPTO statements on Other 11.18(b) duties

- “Reasonable inquiry” includes reviewing prior art submitted
- Not making filings to create unnecessary delay includes not filing continuations to keep application pending



The Moral

- “Patent quality is a shared responsibility that begins with the applicant.”
 - Jon Dudas, Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office, Tech Policy Summit, Los Angeles, CA, March 26, 2008



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Thank you