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## Perspective

# Counting (On) Improvements

On Sept. 30, 2009, under the leadership of the new Commissioner for Patents, David Kappos, the U.S. Patent and Trademark Office (USPTO) announced important changes to the decades old "count" system that is currently used to measure the productivity of its patent examiners. The changes are expected to improve the quality of the examination process and decrease the pendency and backlog of the patent applications in the USPTO.

Under the current count system, patent examiners are expected to earn "counts" to satisfy bi-weekly count quotas. Examiners earn counts after the occurrence of certain events in the examination process. For instance, a patent examiner can earn one count for issuing a first office action in a patent application or for issuing an office action after a Request for Continued Examination has been filed by the applicant. A Request for Continued Examination is a request by the applicant to continue with the examination process, after the examiner has issued a "final" office action closing the prosecution.

Examiners can also earn counts for "disposals." A disposal count is earned when the examiner issues a Notice of Allowance (indicating that the claims in an application are patentable) or responds to an appeal brief (which appeals the rejection of the claims). A disposal count can also be earned when the applicant chooses to file a Request for Continued Examination to reopen the prosecution of an application and when the applicant chooses to abandon an application.



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No counts are given to examiners for any other type of office action including final office actions.

Under the new count system, patent examiners will be given more time to examine their patent applications. For example, the USPTO will give examiners more time per count, which means that they will get more time to examine their patent applications. The USPTO will also give examiners time to initiate interviews with applicants to resolve issues in their patent applications. The current proposal suggests that the USPTO might provide an additional 5-8 percent of time for an examiner to examine a patent application. Examiners will also be given additional counts for examining applications that are inherited from other examiners that have already received first office action counts.

Also, under the new count system, patent examiners will be given more counts earlier in the examination process rather than later in the examination process. For example, under the proposed count system, an examiner will be given 1.25 counts for a first office action, 0.25 counts for a final office action, and 0.5 counts for a disposal. After the filing of a first Request for Continued Examination by the applicant, the examiner will receive one count for the next office action, 0.25 counts for the next final office action, and 0.5 counts for a subsequent disposal. After the second Request for Continued Examination filing by the applicant, the examiner will receive 0.75 counts for office actions prepared directly after subsequent Request

for Continued Examination filings, 0.25 counts for subsequent final office actions, and 0.5 counts for subsequent disposals.

These changes are expected to improve the quality of the patent examination process and reduce the pendency of patent applications. First, examiners will have more time to examine their patent applications and the ability to do a better and more thorough examination. Second, by giving patent examiners more counts earlier in the examination process and fewer counts later in the examination process, the USPTO's management is encouraging patent examiners to do a better job up front and to help applicants determine what is patentable. Examiners will be discouraged from issuing office actions that do not move their cases forward toward resolution.

As an illustration, under the new count system, an examiner who continues to reject claims in a patent application and forces the applicant to file multiple Requests for Continued Examinations in older applications will be working harder to satisfy his count quota than a comparable examiner that resolves issues in pending applications and works on more newly filed applications. For example, an examiner that has most his or her counts coming from office actions that are prepared after two or more Requests for Continued Examination are filed in an application will be earning only 0.75 counts per office action. Another examiner that has most of his or her counts coming from first office actions will be earning 1.25 counts per office action. If the examiners produce the same number of office actions, the latter examiner will be earning more counts than the former examiner. Compare this to the current system where the former examiner would earn 1.0 count for each office action and the latter examiner would also earn 1.0 count for each office action. Therefore, under the new count system, there is a strong incentive for examiners to quickly determine what is patentable and to issue patents where appropriate. There is a disincentive to continually reject applications.

The proposed changes also signal an important change in the philosophy of the USPTO's management. By openly discussing changes to the count system to encourage early patentability determinations by the examiners, the USPTO's management is telling examiners that it wants to issue quality patents more quickly. This is good news for inventors and businesses that rely on the ability to obtain high quality patents.

In the past, the USPTO's initiatives to improve the quality of the patent examination process involved multiple levels of review, before patent applications were allowed to issue. Despite the focus on quality, patent examiners were not given additional counts or time to examine their applications. The practical effect of past quality initiatives caused applications to stay pending for much longer without reaching a resolution to issues of patentability. The additional levels of review delayed the issuance process, and encouraged examiners to reject applications rather than allow them. The newly proposed count system should provide an incentive to examiners to find ways to allow applications to issue as patents, rather than continuously reject applications.

The USPTO believes that these changes will improve the quality of



the patent examination process, provide examiners with incentives to reach out to applicants, address issues early in the patent application process, reduce rework, improve working conditions, and improve customer satisfaction.

As next steps, the USPTO intends to finalize the details of the count

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system change, and have the changes ratified by the Patent Office Professional Association, the patent examiners' collective bargaining association. Once ratified by the Patent Office Professional Association, the changes will be implemented in the USPTO's internal IT system. Since the changes to the count system appear to be the product of a task force involving both USPTO management and the Patent Office Professional Association, it is expected that these changes will be implemented in the near future.