

Patent Quality and Backlog

Ficpi/Aipla Colloquium
June 2010

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Patent Quality Defined

- The sum of actions which have the effect of increasing the likelihood that patent claims granted by the examining patent office are valid
plus
actions which have the effect of increasing the likelihood that patentable claims are not improperly rejected by the examining office
/ divided by
the overall pendency of patent application claim(s) which result in the grant of such claim(s) or to a final patent office determination that the claim(s) should not be granted.

Patent Quality

- The definition of quality includes reducing both false positive as well as false negative decisions by the examining office.
- The highest quality process is both one that produces the best result in the fastest time and at the lowest processing cost.
- Quality improvement is a continuous process.

Backlog

- Traditional backlog definition : The number of patent applications which have been properly filed but have not been initially reviewed by the patent office.
- Backlog should more generally also include the overall pendency of a patent claim in an application from the time it is filed until a final patent office decision on that claim , whether that claim has been amended, replaced, or refilled in a continuing application .
- Backlog should include both the initial time the application awaits any initial administrative action as well as the overall time the claim is pending .

Why is quality inversely related to pendency and backlog ?

- Actions or inaction which increase, or which do not reduce, backlog and pendency are often indicators of process inefficiency.
- The highest quality process must correct mistakes at the earliest opportunity .
- Any process which conducts reviews of actions at later stages will always be less efficient and more costly than one that avoids mistakes or corrects mistakes as soon as they are made.
- Focus on the quality of the work done the first time- the best search and rejections should be made in the first Official Action and not be done piecemeal .

Backlog and pendency reduces patent life and discourages patent filing

- The longer a claim in a patent application is unacted upon or is pending, the less the remaining ultimate commercially useful term of any resultant patent if term is measured from filing date.
- Reducing the effective patent term can lower the incentive for inventors to disclose their inventions in a patent .
- Long backlogs and pendency encourages secrecy

Backlogs and long pendency creates uncertainty for applicants and the public

- The longer a claim is pending, the longer both applicants and third parties remain uncertain of the final disposition and scope of applicant's claims .
- This uncertainty has the potential negative consequence of stifling the development of that invention, licenses and improvements by others.
- The longer it takes for an applicant to know whether her invention will be granted, the more difficult it is for that inventor to secure funding, make investments in commercializing the invention or make additional improvements to the invention.

Deferring examination increases third party uncertainty

- Deferring examination for certain applicants may be desirable from their business model perspective and for short term patent office efficiency, but it doesn't assist in resolving uncertainty for the public, and can simply shift today's workload into the future.
- Extending prosecution through continuing applications and related divisional applications also increases uncertainty and adversely impacts commercial decision making.

Backlog and pendency discourages use of the patent system and encourages trade secrets

- Inventors may be discouraged and frustrated by high backlog and pendency delays and decide not to use the system at all.
- If an invention's useful lifetime is shorter than the period of time it takes the patent office to examine and decide whether or not to grant the patent, would the inventor be better off to maintain the invention in secret?

Trade secrets can typically be maintained for three years

- If an inventor can typically maintain an invention in secret for about three years, and if backlog plus pendency exceeds three years, it may tend to cause inventors to reexamine the costs (fees plus attorneys) for applying for a patent.
- Maintaining inventions secret by one inventor contributes to retarding innovation by others.

Improvement in quality, reducing backlog and pendency encourages use of patents

- Rules and procedures which enhance the public's confidence in the correctness of the patent examination determination and the efficiency of that determination, increases the use of the patent system.
- Patent offices should be transparent about backlog, pendency and quality measures and data.

Quality and timeliness are not inapposite.

- All processes can be improved in terms of the quality of decisions and the time it takes to reach that decision.
- Expending more time early in a process produces higher quality results and less rework. The total time and cost required will be less than a process that requires complicated corrective actions throughout

Quality and backlog not limited to manpower

- Simply adding more people under an inefficient process can make some progress at higher cost, but greater progress and lower cost can be achieved if the process itself is optimized at every step.

Quality improvement is a continuous process

- Not all process improvements can be done simultaneously.
- Each process change must be associated with appropriate process and result measures, and performance against these measures must be tracked and publicly disclosed to determine effectiveness.

Unintended consequences and piloting changes

- We must be alert for any unintended negative consequences of any process change, and if they occur, the process change must be quickly modified.
- Piloting new procedures is useful to determine effectiveness and unintended consequences.
- Some process changes may have greater potential impact than others, and those which have the greatest potential should be examined and implemented first.

Ideas for enhancing quality, reducing backlog and pendency

- Enhance compact prosecution : Expand use of interviews early in prosecution.
- Consider how to use state of the art search software to efficiently examine related inventions together- e.g. new composition, process of manufacture and method of use
- Fees should not be used to discourage application filing but should be used to discourage intentional delay
- Discourage examiners from delaying decisions- monitor examiner time utilization and count system by art unit, and eliminate incentives that work against pendency
- Utilize result metrics from post grant procedures and litigation to identify systemic search and examination errors.
- Improve information technology to eliminate processing time
- Focus on supervision and training of junior examiners to ensure clarity
- Identify all key process bottlenecks which adversely impact pendency : e.g. the premature issuance and withdrawal of final rejections and applying new art when claims are not significantly amended

Accelerate patent office work sharing and best practices

- Regardless of different legal requirements, work sharing and best practices among patent offices can identify efficiencies and enhance quality for everyone
- Work sharing can reduce costs for patent offices and users .