

FICPI/AIPLA Colloquium "A Comprehensive Approach to Patent Quality"
Amsterdam, June 8-9, 2007

Session 1 "Deficiencies in patent applications and problems created by applicants and attorneys"

Speakers : D. Huntington, J. Saffer, J. Pearce, T. Moriya, M. Powell, W. Jones, S.Helfgott,
E. Lyndon-Stanford, M. Jewess, K. Finnilä, D. Alge, D. Schwartz

HUNTINGTON	Would the three panelists for the first panel come on up?
SPEAKER-1:	Good morning.
SPEAKER-2	Good morning. How are you?
HUNTINGTON	Yes, please come on up. Yes, please.
SAFFER	<p>Actually, I asked for a box to stand so I could reach the microphone but considering the fact that I plan to speak approximately 30 seconds, I thought I could just bend this down, stand on my toes and make do. My role in this program is a very simple one -- it's to say hello and to say welcome on behalf of the AIPLA, who is very happy to be able to sponsor this program with FICPI.</p> <p>I think all of us in this room understand the importance of examining patents and patent systems, patent quality in today's world and we are hopeful and approach this meeting with the expectations that the exchange of ideas will help in some small way to address the problems that we are all facing. Thank you very much for attending.</p>
HUNTINGTON	<p>I'm Danny Huntington. I'm the President of FICPI. I certainly want to thank AIPLA, Judy and Mike Kirk particularly who's been instrumental in putting this program together. I think the easy way to tell that it's an important topic is we went through, we prepared a list of the attendees that we thought were critical to this and we got essentially every one to come. In fact, we had others of you who had asked to come and we're pleased that you've come; we originally were hoping for 70 attendees, and I think the last number was 86. So I don't intend to take a lot of time talking about this; we're going to go through the speakers. I intend to run a tight ship today and to move things along. The speakers have limited time. The one thing that I do want to talk about is that this came about as a part of a conversation that I had with Mike at the funeral of Malcolm Royal, who was a past president of FICPI and had organized earlier colloquia and he's the one who inspired me to do such things and I certainly want to dedicate this to him today because I'm sure he would have been pleased to be here if he could have been.</p> <p>We will be preparing a transcript of the discussions today, so it's important when you ask questions from the audience to identify who you are so that we can contact you later because we do intend to publish the transcript after we've given everyone an opportunity to make sure that what they've said has been accurately captured. But we do want to have quite a bit of discussion -- as much as possible -- and that's why we're going to hold the speakers to their times. Finally, I would ask everyone to do what I intend to do when I sit back down, which is turn off your cell phones so that we don't have them going off during the meeting. And with that, we're going to start with our first speaker, James Pearce.</p>
PEARCE	<p>Good morning everyone. I am Jim Pearce from the European Patent Office. I was told that I am the icebreaker. That makes me feel slightly easier because it means that you are expecting only that I'll break the ice for you this morning and this fits with the approach I'm going to take, talking on the subject that was allocated to me -- deficiencies in patent applications and problems created by applicants and attorneys. I'll talk quickly because I've got a few slides -- you'll get the material later - and the slides are mostly self-explanatory.</p> <p>I will give some examples of problems and deficiencies as seen by</p>

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PEARCE	<p>EPO examiners and the effect on the EPO in terms of the numbers. The next slide shows some influences on the development of the patent system in recent years -- you know them: Growth in filings, changes in the size of applications, patent strategy developments, drafting strategies. We have the differing legal traditions as a background to all of this and also patent offices' resources, limited sometimes, and the rules they apply. The next graph shows the growth in the EPO workload -- doubling the number of filings in a period of less than ten years.</p> <p>I won't go into details of the following slide here but the x axis shows the ten-year growth rate, by technical field and the y-axis shows the 1995 filing numbers. The main points you can see here are much higher growth rates in PCT filings and the rapid emergence of new technologies -- telecoms, computers, audiovisual, and so on. The move to the PCT filing route is another major change that we've experienced over the years.</p> <p>As a final part of the background to this presentation, I've adopted a working definition, for the objective of the patent system: To stimulate innovation by the issue of quality patents. You might have your own favorite definition. Such a working definition is useful because it forces us to ask the question 'what are quality patents?', which is one of the major things we're here to discuss. An examiner might emphasise 'conformity with the provisions of the EPC' or something similar.</p> <p>A member of the public might say something like an optimum combination of validity or legal certainty, timeliness and cost. We will come back to this question, but we need some form of definition in mind. In order to consider what are deficiencies are problems. On the basis of this rough definition, we could say that deficiencies and problems can be anything which impedes us from achieving the validity, timeliness, and cost efficiency that we want to achieve.</p> <p>Against that background, making decisions is often difficult. The examiners and the examining division are dealing with cases where the EPC rules at one end of the spectrum can be very clear. At the other end of the spectrum examiners have to use their discretion within the guidelines or, for example, the ethic of applicant friendliness, for example considering that it is equitable to give additional explanations to an inexperienced applicant. In between we have decisions being made against a background of EPC Articles and Implementing Rules which contain phrases such as 'if possible', 'as far as is known', 'where applicable', and so on.</p> <p>Now, I will identify five or six specific areas where examiners highlight that they quite frequently experience problems and in some cases deficiencies. First of all, excess independent claims per category -- those familiar with the EPC I refer you to Rule 29.2. In many cases we have multiple independent claims in the same category on filing perhaps with multiple combinations of essential features. This is often a deficiency; of course. Under certain circumstances specified in the EPC, more independent claims are acceptable. I won't go into that at this time. This type of deficiency may provoke a no search or an incomplete search, but not often. There may be non-unity associated with such cases as well and I would just perhaps comment in passing that there is no independent claims fee at the EPO at present. The</p>
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PEARCE	<p>second issue is, many dependent claims, especially trivial claims. Again, there are relatively few objections on the basis of clarity or on the basis of the rules relating to the number of claims in the EPC. This is another type of problem caused by applicants and representatives, which contributes to the workload of examiners and has a procedural time impact.</p> <p>The next issue : first or any independent claims are trivial, very broad claims, so X-documents and novelty attacks are relatively easily found. The invention is frequently hidden in there somewhere. There may even be multiple inventions. Eventually of course the applicants will file amended claims drawing on the description or somewhere deep in the original claims. The impact of this can be that it adds to the workload pressure, causes delays, and creates or maintains uncertainty for the competitors. The fourth type of issue indicated in the next slide, is lack of unity -- that's Article 82 for us. It can be accidental, often is, but quite frequently even in the case of large companies, they have 'frequent accidents'. It's clearly not accidental. That's often a fee reduction strategy of course because only one filing fee is payable at the start and potential savings later if the non-unity remains unidentified. The fifth area is many embodiments in the description, not all of which are claimed - can also be in effect a claim reduction strategy on filing. The use of clauses in descriptions also appears to be very often part of the fee reduction strategy and clearly imposes workload -- not a deficiency, however, and of course I have to acknowledge that long descriptions can be disclosing much more. Other problems on filing, briefly include no relevant cited documents are identified, even by large companies who are well aware of the prior art but who do not offer this input to the examiner. Then there are specifics, such as missing references signs and so on.</p> <p>So there's a whole collection of problems caused for examiners, some of which may also be formal deficiencies - and which you could say may be 'examiner unfriendly' actions on the part of the applicants or the attorney. Problems also arise during the examination procedure also in addition to those that are initiated at filing and often continue into the examination phase. I won't go into a lot of detail due to the time available.</p> <p>The next slide indicates firstly. the issue of 'added subject matter', which can give rise to problems under A123(2) and the A123 (2)/(3) combination at the Opposition stage. A comment that comes up many times is the problem indicated in point 3 - that of ' replies not to the point' e.g. non-bona fide replies or matters filed which are not in conformity with the EPC. These may on occasion, follow from a desire to delay the procedures in some respect. Again there is the issue of new documents submitted at the last minute, shortly before oral proceedings, which cause problems in terms of having an efficient procedure. As shown earlier - and as you know - there has been a major growth in patent filings. Such growth is not of course indicating a deficiency <i>per se</i> and can be seen substantially as an external problem arising from the success of the patent system, economic developments and so on. however, within the system itself a part of the increase in size and complexity of filings follows from the development of strategies in patenting. From the general examples I have just given, we can summarise by saying that there is a general</p>
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PEARCE	<p>tendency for more complexity and less transparency -- also trends towards fee reduction and fee postponement strategies, contributing to longer procedure times, more communications and so on. How do these consequences impact us in the EPO?</p> <p>The next slide shows the growing number of claims over time, particularly in the PCT route. Within the PCT route the U.S. filings indicated by the top line are significantly bigger and have grown more. Their size in terms of the average number of pages doesn't really show much because the dispersion is very high. For 2002 for example you can see that for the files of US origin, the average number of pages is off the top of the scale and several times the average size of files originating from most of the European countries. In terms of claims, there is a factor of two. As one indicator of complexity, I have taken the frequency of partial searches as an example indicator and here you can see in 2005 there were 12,000 non-unity cases identified by examiners and that gave rise to 70,000 inventions having been identified by examiners, of which in the end 20,000 were paid and the rest not. We have experienced a growing percentage of search reports with X citations. It could be said that this indicates the quality of our searching is improving and that may well be a factor. However, it also reflects the breadth of the claims that we are increasingly dealing with. When you have very broad, independent claims in the application, it is often not difficult to find X documents. The combined impact of all this on the EPO can be seen in the next slide. Just as an example, this shows the relationship between the procedure time for EP applications and the size of the filing in terms of the number of claims. You can see there's quite a significant and almost linear relationship there. The bigger it is, the longer it takes, perhaps not surprisingly. The same thing you can see of course reflected in the number of communications between the examiner and applicant or representative.</p> <p>The next slide is a schematic of workload growth. It shows that the workload is determined by the growth in the filings -- also by the size of applications, by the complexity factor, and by what I've called the cooperation factor between the examiner and the applicants or representatives. This is followed by a real but incomplete example taking numbers from our filings and from growth in the average numbers of claims. You can see from 1995 over a period of ten years a growth from 100% to approaching 350 percent, i.e. a factor of three and a-half times. That does not take account of complexity, cooperation and the other factors.</p> <p>So in order to finalise by digging beneath the surface of this, I decided to use the concept of 'industrial user' which I borrow from a recent presentation of Francis Hagel. As he pointed out, industrial users are simultaneously applicants, patent holders and third parties. To this I would add 'members of the public' or 'members of society'. The logical position of an industrial user is pro-balance in the patent system. We can see why. As a member of the public he might hold a view of patent quality - he would mainly, we can assume, support high quality patents having essential features of validity, timeliness and cost efficiency in the public interest. But as an applicant, of course he would want to obtain maximum scope for his patents. He would want to maximize and maintain uncertainty for his competitors. He wants to</p>
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PEARCE	<p>minimize or delay costs and also to gain time in the procedure in order to assess the value of his invention in the light of more recent developments internally, and by his competitors.</p> <p>Nevertheless, of course, he wants to be able to switch into top gear whenever he needs to have a patent product in hand for any legal purpose. As a competitor, in respect of another file he might hold completely the opposite views. So where does this lead? We have an individual who holds opposing sets of views according to his interests in any given case and according to the circumstances. Not wishing to be dramatic, this is not an uncommon issue in society. It's a conflict between the individual interest and the system interest. The results are frequently one of the following: Either failure of the system, which we certainly hope to avoid, or imposed regulation. In some cases self-regulation is possible through partnership, codes of conduct and so on, and/or system improvements. For example, built in system feed backs relating fees, more closely to the work involved, and so on. Perhaps also more discretion in the application of the rules.</p> <p>A recent example from the U.S. links fees more closely with the work generated -- you are probably familiar with the decrease in the average number of claims following the 2004 claims fee increases and the decline in average towards the starting level for additional claims fee. As well as fees, the value of partnership for quality is also a topic very much in our minds. Many examiners feel that the number of tasks which were originally intended to be located with the applicant and attorney have migrated somewhat towards the patent offices. We could look more closely at that perhaps. This presentation has highlighted some examples -- failure to identify relevant art, even when it is clearly known, submitting files let's say of U.S. origin, which have not been adjusted according to the requirements of the European filings. And finally an interesting suggestion which pops up from time to time, which could become a consequence if problems and deficiencies in filing continue to grow over time. Then there could eventually be a call for a kind of examiner formalities check : perhaps followed by a first action in which the examiner would initially communicate the a priori deficiencies back to the applicants and representatives with a requirement to rectify these before the search is done - with perhaps a time limit for response. I will there with the question, 'which way forward ?', and thank you for your attention.</p>
HUNTINGTON	<p>You have it on your sheets but I neglected to say that Mr. Pearce is the Director of Metrics and Standards for the EPO. Our next speaker is Mr. Moriya, the Deputy Commissioner for the Japanese Patent Office.</p>
MORIYA	<p>Good morning. It's my great pleasure to be given opportunity to be here and presenting current status of JPO examination. First, we'll look at this slide regarding the number of JPO examination cases. The number of applications has been increasing every year in Japan and have reached approximately 267,000 in 2006. And patent grant has remained at around 50 percent over the past five years. Here on the graph, that is refusal with no argument from applicant at approximately 25 percent. This slides shows frequency of [inaudible] there is no refusals. [Inaudible] accounted for 90 percent over the</p>

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MORIYA	<p>reason for refusal in the first obstructions. The percentage of applications not satisfying the crucial requirement went up nearly ten percent in five years. First I would like to explain with the most pointed out as the reason for refusal in Japan. The basis for this reason for refusal is that naturally inventors don't know or I think know of existence of <i>[inaudible]</i>.</p> <p>In some cases novelty or inventive steps are denied on the basis of the prior act published by the same applicant or inventor itself. In Japan most applications have been refused due to a lack of novelty or inventive step, so Japanese JPO has asked applicant to contact office - most important steps. First one is to contact prior search examiner as soon as possible and evaluate his invention for consideration of prior art and finally define the claimed inventions appropriately so as not to encompass any prior art and to support in the claims features which are essential to the inventions appropriate or inventive steps. And JPO has provided support measures in order for applicant to contact prior search examiner before filing the applications. First JPO is providing information -- various information such as <i>[inaudible]</i> obtained in the IPDL database can be searched in IPDL. Also JPO provides English translation of the Japanese abstract called PAJ in IPDL matching translation services over putting together is also available, so everyone can retrieve Japanese document in English language. JPO has been disseminating information for examiners in order to improve the search skills over the searchers. In addition, training programs on searches in the private sectors are conducted in the central or information technology of Japan. In addition, the JPO established examination guidelines and translated examination guidelines is also available on the JPO website.</p> <p>Now, I would like to talk about a further requirement. According to the Patent Act of Japan, Article 36, Paragraph 4 that the exclusion of the invention shall be clear and sufficient so as to enable any person ordinary skilled in the art to write the inventions. The following are typical examples of such requirement. The first example is that not all the technical features essential for carrying out the inventions are disclosed in the disclosures. In this case the deficiency that a person skilled in the art is unable to carry out the inventions because of technical matters, which is essential to the inventions not presented in the solutions. Second example is that claims are defined by <i>[inaudible]</i>. There are such cases where a definition depending on product is not disclosed. The third example is a case where the process of an invention of a product is not disclosed. Now, I would like to go back to claim requirement. According to the Patent Act of Japan, Article 36, Paragraph 6, the invention for which a patent is sold shall be stated in the description of the invention. In the case where the disclosed content of the description cannot be extended to or generalized to the whole scope of claim that that claim is defined too broadly as compared to the disclosure of intentions in the description. Such a broad requirement cannot be satisfied. The typical example is a case of a working example throughout the entire numerical sequence in the claim are not shown in the description, especially after the claim defined by pollinators are working examples are to be disclosed in the description at the time of filing. Some of the experimental <i>[inaudible]</i> applicant may <i>[inaudible]</i> later after the</p>
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MORIYA	<p>rejection notice but after the filing applications some issues cannot be <i>[inaudible]</i> regardless of fact that there was no subsequent disclosures after time of filing.</p> <p>Now, I would like to talk about a lack of unity of inventions. The unity of inventions requirement under the Patent Law of Japan is the same as that of the RPUT. Unity of inventions has been determined by whether two or more inventions have the same or similar specialty features, namely special FTF. FTF is the technical features defining the contribution made by inventions over the prior art. The inventions with more novelty have no STF. The example shown here is a case where the applicant filed the claims one through three regarding technical feature A is not regarded as FTF but A plus B is FTF with <i>[inaudible]</i>. In this case the technical future is not FTF so claim 3 has no unity with claim 1 and claim 2. Such a case happens often in examination after filing their applications. Even applicant is encouraged to contact examiner of search before filing applications and check as a common technical feature of inventions of prior art. I think that is extremely important for the sake of improving the quality of the invention and obtaining <i>examination</i> efficiently and effectively. Finally, I would like to talk about corporate comparative studies. The theme of the comparative studies are required in disclosures and claims and inventive steps. We are now doing a comparative study on <i>[inaudible]</i> and the appropriateness of the comparative study are the examination practice of the trilateral offices and providing guidance supporting the preparation of high quantity of applications. We are going to have the final result in November 2007.</p> <p>Thank you for your kind attention.</p>
HUNTINGTON	<p>Thank you very much. Our next speaker is Mr. Mark Powell. He's the director of Technology Center 2600 at the U.S. Patent and Trademark Office.</p>
POWELL	<p>Good morning. In keeping with Mr. Huntington's mandate to keep this thing moving along, I'll go pretty quickly.</p> <p>I have a short version of slides up here as compared to what's in your handouts. What's in your handouts is a lot of detailed information but it'll help when you refer to it later. Mr. Pearce and Mr. Moriya discussed the rising growth rates in their offices and the PTO in terms of percentages and so on with me today. I just wanted to go through really quick with you sort of from start to end what some of the things that you can do to speed things along in the process particularly as international filers. So I started from preparing the application and getting through to patent grant. The second point shown particularly is avoiding improper multiply dependent claims-- and we get a lot of that from our European filers. In addition to that, use claims we call them. The idea here is try to get the case in conformance to U.S. factors first so you're not losing an action, if you will. The U.S. PTO provides standard forms for filing, applying, paying fees and what not. Use those -- they are available on the Internet as you can see; use them but don't change them in any way.</p> <p>And the middle one -- don't use a combined power of attorney and declaration. The reason for that is sort of IT-related; in our paperless systems these days we have individual codes for individual papers and soon and it's important to try to keep those separate to the extent</p>

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POWELL	<p>that you can. We have something called an application data sheet, which, if filled out properly and used, it will virtually eliminate problems with obtaining filing receipts and so on. And this slide shows the various information that you can put on that, and again, data entry errors and stuff like that, if this sheet is correct, you almost never run into a problem with paper handling and response and receipt of office actions and so forth. Avoid preliminary amendments in new cases. The idea here is "amend" your case but prior to filing it. The reason for that is it's another paper and from time to time, particularly when they're filed as a bundle, the preliminary amendment can get overlooked; it doesn't happen often but it does happen and then we usually get a response from you saying wait, you didn't consider my amendment and then we send you out another action and it just adds a few months to the process unnecessarily. So the idea is to get it all together prior to filing the application. We now have an electronic filing system that's working very well. I believe today approximately nearly two-thirds of applications are being filed electronically, and again, taking the paper out of the system is nothing but beneficial, so we urge you to use that.</p> <p>Here are some things to avoid in an EFS filing -- all of the information is available on our website, and so again I'll keep moving. Other things include avoiding color photographs if not necessary. Non-publication requests: It says avoid inconspicuous requests for non-publications. Often we get a request and then a request to undo that request and so on, so the idea is to keep your filing decisions in order in that way. It should be -- in fact, must be received at the time of filing. General prosecution advice, and I think that Mr. Pearce and Mr. Moriya focused on this to a good degree already: be specific, and you'll hear me say this a couple of times. When you're responding to an office action, be exactly clear as to what you perceive the examiner has said, what your amendments to the claim around that are and why, particularly your claims avoid the art. The second one maybe somewhat controversial -- read the entire reference, not just the portions relied upon by the examiner, and again under our rules 115 and 116, make sure you reply to every ground of objection or rejection that the examiner supplies. Otherwise you may receive a notice of non-responsiveness and again adding time to the prosecution. Here try to avoid filing an IDS after the payment of the issue fee and try to pay the issue fee as quickly as possible. And when you do have a situation where a piece of prior art has emerged late in the process, follow these directions: File a petition straight to the office of our petitions office, Office of Petitions, to withdraw the application as quickly as possible.</p> <p>I do have a couple of more minutes and have gone pretty quickly. Indeed there is a lot more material in the slides in the appendix portion therein but one thing I wanted to say I think that would be the most helpful is be succinct in your writing of disclosures and in your drafting of claims. I was an examiner for a long, long time and I recall an attorney who had this "rule of four"; it was digital television -- it wasn't an easy art. His specifications were four pages long, and he almost universally had four claims, two independent; each of those independent claims was four lines long, right. Now, for an examiner seeing a four-line long claim, they're like aha, you know, I'm going to</p>
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POWELL	<p>find something immediately. Well, this fellow was very good at drafting specific claims, even in a short number of words and by and large no matter how hard I searched these things, I just couldn't find it. And when I did it was usually the claim happened to read on some non-analogous author that just wouldn't have occurred to the attorney. I think that that was the best way to approach these cases and any case. I mean, you have to ask yourself for an invention of even moderate complexity, do you need hundreds and hundreds of pages of specifications to define what your invention is. Do you need 118 claims to define what an invention is in a reasonably simple electrical art, you know? In the Patent and Trademark Office examiners have an average amount of time to do each case and when presented with overwhelming numbers of claims for example, it's pretty clear that the attention that that examiner can pay, per claim, is diminished. And think that that does not help the system. So be clear in your application disclosure and be clear in your claim construction and be concise. I think that's the key, and I will turn it back over to Mr. Huntington to moderate the question and answer session. Thank you.</p>
HUNTINGTON	<p>At this point I'm going to open the floor to questions. We have a microphone -- actually, two microphones -- for anyone that has anything that they might like to ask. Well, if I don't see any questions from here, one of the things -- oh, okay. Right here. Remember to identify yourself first.</p>
JONES	<p>Hi, I'm Will Jones. I'm with the ABA. I just found it interesting comparison as the three of you spoke. Mr. Pearce made an interesting opinion that applications are too long and he went to great effort on his chart to show how American disclosures are way out of line and increasing in size, but didn't spend a lot of time talking about the effect of Rule 123 under the EPO. When Moriya-San talked, he talked about the insufficiency of disclosures and that how much is often missing from disclosures. And then when Mr. Powell talked, he talked about, you know, succinctness -- we have to do this. There's an interesting thing for the office just to look at -- it's difficult just like examiners who have limited time to work on things, preparers of applications have limited time, too, and so what you're trying to do is build an application that's going to work hopefully in all three jurisdictions because most of us file in all three jurisdictions. But there is an incongruity that's happening there, so I'd be interested in your comments of how you are proposing to maybe help that go the other direction.</p>
HUNTINGTON	<p>I think that given that the comment was with respect to each of the speakers, well, I'll give each of them a chance to comment. I'll start with Mr. Pearce.</p>
PEARCE	<p>Yes, thank you. Well, indeed I think that's what's characteristic of the system -- that the pressure is not just on examiners, it's on all participants and for me that emphasizes the value of this kind of communication and input.</p> <p>One of the things that we certainly experience is that there is apparently a tendency for applications which are prepared let's say for filing through the U.S. to be filed in Europe and only later is it necessary for a European representative to be involved. So I think it</p>

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PEARCE	could be helpful to involve someone who is familiar with the constraints of the European system before the file is submitted. Perhaps that issue is relevant elsewhere as well. That's my only immediate contribution at this point.
HUNTINGTON	Mr. Moriya?
MORIYA	Thank you. I'd like to talk about disclosures of applications. I do know the importance to exclude third persons to exploit the inventions. So I think that inventions to be patented must be truly disclosed to understand to carry out person skilled in the art. So most important thing is that claim is supported by descriptions and in Japan this support requirement is very difficult but JPO has encouraged the applicant and attorneys to disclose inventions more as fully as possible to commiserate with claim. So this is very important issue, JPO has proposed to compare the three offices -- European Patent Office, US PTO and Japanese Patent Office and we are now comparing the role and the practice and the case laws and we find out we will hand out differences and similarities between these studies. So we can do every effort to give and guide us to use applicants and attorneys to direct them to specifications truly satisfies this requirement. Thank you very much.
HUNTINGTON	Mr. Powell?
POWELL	Mr. Moriya took the words right out of my mouth, I think to a certain degree. Part of the gentleman's question was, you know, the time pressures are high here and we have to file in three different formats. Indeed the patent offices represented by the three of us here are working very hard to study this issue and to come up with ways to harmonize both filing requirements and practices and procedures to the extent we can. It's a slow process and we're hampered to some degree by our legal differences; indeed in the US we have a grace period that doesn't occur elsewhere and so forth. Opportunities come up sometimes -- we had our recent Supreme Court case -- KSR v. Teleflex as I'm sure everyone's heard about -- that may allows us to even harmonize to a greater degree practices between the U.S. obviousness or non-obviousness practice and those used to evaluate invented stuff in Japan and Europe and elsewhere. So that really is the key, is trying to get to a common application form for filing requirements and common examinations practices but that's something we're working very, very hard on. Thanks a lot.
HUNTINGTON	Thanks. Sam?
HELFGOTT	Sam HELFGOTT from the ABA. Mark, I wonder if you could perhaps expand upon your objection to using a specification with the problem/solution approach. I can understand the objection with respect to the claims but I think you were talking about the whole preparation of the application and could you expand upon that?
POWELL	Sam, thank you -- you're right. It really is with the claims and not with the specifications. There's a slight error in the slide there, sorry.
LYNDON-STANFORD	Thank you. My name is Edward Lyndon-Stanford and I'm representing CNIPA. My question really was directed at the claims -- if we want a common application format I think most of the differences can be solved eventually except that of the claims. The claims aren't just written to comply with the Patent Office rules -- they're also

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LYNDON-STANFORD	written to comply with the court decisions that control it all and it is quite clear that the strategy and language of US claims is very different from that of European claims. And I wondered if you can see any progress that can be made. Thank you, sir.
HUNTINGTON	Mr. Powell, I think that I'll direct it to you.
POWELL	Well, you're absolutely right; I mean, practice for the office and practice in litigation are two entirely different things. Indeed I think that particularly in Europe there is a press to get uniformity among the member states of the European community. I don't know of any specific progress made in that direction to date and we're aware of it but the scope of trying to undertake litigation practices in the various countries around the world; we're trying to start from the bottom up, you know, working with our practice and procedure within the offices. We just haven't gotten to that point yet but that is an extremely good point. I wonder if Mr. Pearce would have a comment?
PEARCE	Yes, I think I'm practicing and procedure issues, within the office of course we're very active but at a European level, then I think I would refer the question, if he has any comments at this stage, to Mr. Colin Philpot, who is just sitting in front of us here. Colin, do you have anything to add on that one?
HUNTINGTON	Perhaps at this point since he's going to be a speaker later, I can ask him to make a note of that and bring it up at that time. I think we have a question right here -- yes?
FINNILÄ	Thank you. I'm Kim Finnilä representing the Finnish Association for Corporate Patent Agents. I'd like to say something positive this time. I'd like to commend Mr. Moriya for the statistics on the refusals and reasons for refusals and certainly as they show us in which direction they have developed during the years and it's something we'd like to see with other offices, from the other offices as well because it forms a good base for discussions on this issue, which is an endless discussion. Thank you.
HUNTINGTON	Let's take the question here in the front and then Daniel after that.
JEWESS	I'm Mike Jewess, representing the Trademark, Patents and Designs Federation in the UK. One of the biggest differences between what US attorneys advise applicants and the European practice is they are very, very keen on having lots of independent claims. A common application format would be facilitated if the European rule of one main claim per category (product, process or whatever) applied in the United States. Does Mr Powell for the USPTO have any feelings on that? Does he find independent claims a nuisance?
HUNTINGTON	Mr. Powell?
POWELL	Well again, as I said earlier I think, you know, gross numbers of claims is a problem for many, many reasons. In my personal opinion, yes, I would like to see--and it would improve our efficiency--if we had such a limitation as they have in the European patent office with one independent claim per set but we don't yet have that. That, again; I'll just leave it at a reasonable number of claims, well drafted is far better I think than simply a high number of claims whether or not well drafted.

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PEARCE	<p>I just have just a brief comment, for interest. I said in passing earlier that there is no independent claim fee in our system. I showed a slide which looks briefly at the impact of the claims fee in the U.S. Everyone here has probably seen publications which show the effect that the claims fee increases had on reducing the total number of claims in the U.S. In fact, we looked recently at samples of U.S. files before and after the claims fee changes, and looked at a number of statistics to see what changed -- just a couple of hundred, so not a vast number. The average number of independent claims we found in that sample was reduced from 3.8 to 3.5. In passing, let me add that one has to be careful with claims fee changes, for example, because applicants and representatives are clever people and there is some indication that the same amount of material claimed in effect is now being packed into fewer numbers of claims and in particular fewer paid claims. One of the things we did in that little exercise was to count the effective number of claims included through use of combinations and lists and so on - and in fact found that the numbers were more or less identical before and after. I suspect - and we should be aware of this - that while the impact of increased claims fees can be more or less apparent in the numbers of paid claims, it is not necessarily followed through in terms of a reduction in the work that the examiner has to do. In fact, more than occasionally one is likely to find that the complexity of having a composite claim intended to counter-act or minimise the impact of the fee increase could lead to an increase in the examiners' work. It is something we have to be aware of also in the EPO, but nevertheless the U.S. has led the way in respect of moving to closer linkage between fees and work- it is a good example of where the fees paid begin to look more proportionate to the workload that is generated by the application. Thank you.</p>
HUNTINGTON	Daniel?
POWELL	<p>Can I toss something in here? I just wanted to toss in with that -- thank you, Mr. Pearce -- that the vast majority of filers in the United States do file that piece, that ceiling of three independent claims and 20 total claims.</p> <p>The second thing I wanted to toss in, to mention, was that in discussions with users there is a tendency now, there is a lot of thinking now of going to lesser number of claims, just for the benefit of the examiner, really. I think that they realize, you know, my invention is a pocket knife or a fish hook, and I have 118 claims here -- it just doesn't make a lot of sense. But, I mean, there is a general push, notwithstanding some of the case law which seemed to spur people to file all these claims, that people are thinking in the right direction with those. Thanks.</p>
HUNTINGTON	Daniel Alge?
ALGE	<p>Yeah, Daniel Alge for FICPI. I have a question for advice. If I write a PCT application -- if I draft a PCT application -- it's both a U.S. application and a European application as well as Japanese application. I usually don't do that by identifying a technical problem and solving it by the claims. How can I prevent that according to the MPAPs, not having this problem and solution in the PCT application and on the other hand side, comply with the required necessity</p>

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ALGE	according to European guidelines? So for Europe I have to, for U.S. I don't. I must not, but the specification is more or less not to be amended. So is that an inescapable trap? According to my reading of the case and our decision, they spoke about technical problem that has to be solved by a patented invention so why is this a problem?
HUNTINGTON	I want to start with Mr. Powell and come this direction.
POWELL	In the vast, vast, vast majority of cases it's not a problem, okay. Some of the use claims -- for example "a method of using the product described" and that sort of thing -- is just not in conformance with the U.S. practices because it simply doesn't define in terms of our statute, what the invention is. When we do comparative studies and work sharing projects with the JPO and the EPO, 95 percent of the time the format of the claims is fine. I think there are certain technologies where there may be issues but in generally mechanical and electrical cases, it's not a problem. But there are indeed differences in our systems that we are trying to resolve over time by the use of comparative studies and attempts to harmonize these practices, sort of from the ground up.
HUNTINGTON	Mr. Moriya?
MORIYA	We are now discussing application format including claims and I think that Japanese patent role provides similar regulations to European Patent Office or EPC. So when we have claims overall and back to number of independent claims and if you want two, three or more independent claims you can write that claim in the application. But as you know the claims for use invention is somewhat different from EPO practice and U.S. practice. In Japan use claim for pharmaceuticals must be written by the agent claims -- not use claims because use of pharmaceuticals is considered to be the method of medical treatment. That's very different between three offices claims practice. Thank you very much.
HUNTINGTON	The last comment -- the comment from the EPO we're going to defer and have Mr. Philpott address that, too, at the later time. Our last question of this session will be by Mr. Schwartz.
SCHWARTZ	Thank you. David Schwartz from Intellectual Property Institute of Canada. I have a question about your views on the present state and the future of PCT in your offices because if I were to grossly paraphrase what I've heard this morning is that we've got quite fairly three separate systems and an applicant is best served by complying with the rules that apply in those systems. Now, certainly, you know, my perspective in Canada are as a practitioner our clients filed PCT applications, we don't write separate applications for each country -- maybe some do. We certainly are not doing what Mr. Pearce suggested is going for outside assistance during the application preparation to comply with foreign requirements and within our own office, my guess, I don't know if our people can tell -- I think we're probably 80 to 90 percent PCT in the Canadian office, and PCT is one spec of many countries. Well, my question then is what is the current role of PCT in your offices and what do you see the future of PCT because I would say that it's completely at odds with what we're hearing and if your message really is the way to get a quality patent in your jurisdiction is to comply with your rules, that's not what the

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SCHWARTZ	PCT is all about. So my question is what is the state of PCT in your office and where is that going to head?
HUNTINGTON	The question is a good one but I think it probably is better answered as part of the first session after lunch, which is PCT quality and timeliness and since we're past our time on this, we will hold that question and address it before the end of the day unless one of the speakers has a burning desire to say something at this point. Not seeing any takers, we are now at our coffee break.