



Technology Center 1600 Symposium

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Technology Center 1600 Overview and Restriction Reform Update

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Topics Today

- Technology Center 1600 Overview
- Pre-Appeal Brief Conference Pilot
- USPTO Study on Restriction Reform
- TC1600 Restriction Practice Action Plan

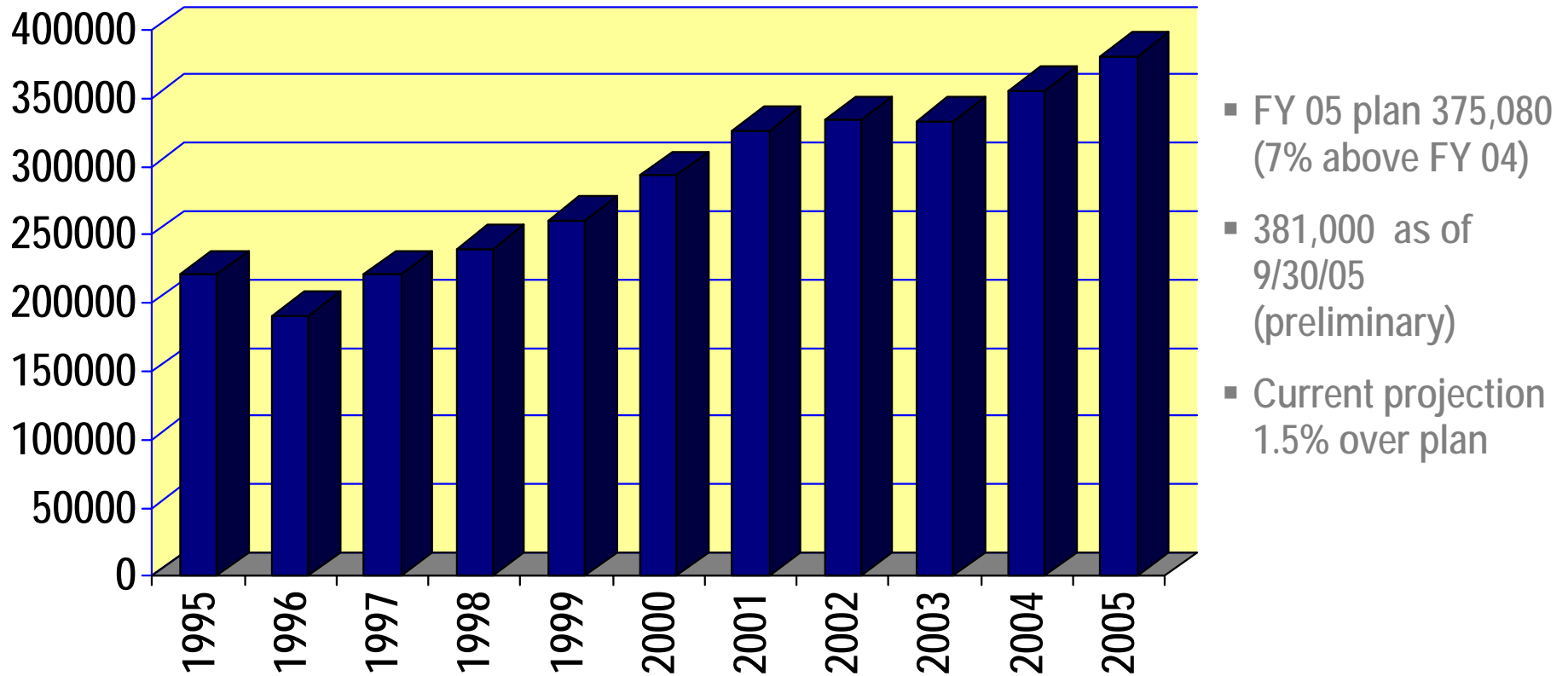


Technology Center 1600 Overview

- Application Filings
- Staffing and Hiring
- Pendency



UPR Applications Filed





FY 04 UPR¹ Applications Filed

Technology Center	FY 04	FY 03 to FY04 Growth Rate
1600 - Biotechnology and Organic Chemistry	38,164	-1.2%
1700 - Chemical and Materials Engineering	49,334	-0.5%
2100 - Computer Architecture Software and Information Security	34,653	17.9%
2600 - Communications	48,210	16.1%
2800 - Semiconductor, Electrical, Optical Systems	81,144	7.6%
3600 - Transportation, Construction, Electronic Commerce	47,489	4.8%
3700 - Mechanical Engineering, Manufacturing and Products	56,533	5.5%
UPR Total	355,527	6.6%

¹ "UPR" = Utility, Plant, and Reissue Applications



TC Application Inventory

	1600	1700	2100	2600	2800	3600	3700	Total*	Design
New Applications ¹ 9/30/2004	55,402	63,923	71,778	97,380	77,651	56,738	65,005	508,878	18,451
New Applications ¹ 10/1/2005	62,644	72,697	76,529	115,585	94,425	70,354	83,225	586,580	24,056
Overall Pending Applications ² 9/30/2004	95,006	105,447	102,440	138,822	137,458	101,097	108,039	809,323	27,599
Overall Pending Applications ² 10/1/2005	107,647	120,767	117,728	167,721	159,687	117,045	130,168	932,300	37,607

¹ "New Application inventory" is the number of new applications designated or assigned to a technology center awaiting a first action.

² "Overall Pending Application inventory" is the total number of applications designated or assigned to a technology center in an active status. Includes new applications; rejected awaiting response; amended; under appeal or interference; suspended; reexams and allowed applications awaiting grant publication.

*Total inventory includes applications not assigned to a particular TC, awaiting processing either pre- or post-examination.



Technology Center 1600

Workgroup 1610	Bioeffecting and Body Treating Compositions and Treatments
Workgroup 1620	Heterocyclic Compounds/Uses, Carbohydrates and Nonheterocyclic Chemistry and Uses
Workgroup 1630	Molecular Biology, Multicellular Organisms and Gene Therapy, Bioinformatics, Transgenic Plants, DNA Hybridization, DNA Amplification
Workgroup 1640	Immunology, Binding assays, Cell Surface & Nuclear Receptors, Cytokines, Hormones, and Neurobiology
Workgroup 1650	Non-Immuno Proteins, Peptides (Enzymes & Toxins)
Workgroup 1660	Plants (PLTs under 35 USC 1.161)



Inventory by Art Examples

Art Areas	Months of Inventory*
1614, 1615, and 1617 – Drugs, Bio-affecting and Body Treatment	47 – 53
1616 – Steroids, Herbicides, Pesticides	26
1620 – Organic Chemistry	17
1631 – Bioinformatics	20
1632-1639 – Molecular Biology, Nucleic Acids, Recombinant DNA/RNA, Gene Regulation, Gene Therapy, Animals and Recombinant Plants, Combinatorial/Computational Chemistry	34
1640 – Immunology, Receptor/Ligands, Cytokines, Recombinant Hormones, Molecular Biology	36
1650 – Fermentation, Microbiology, Isolated and Recombinant Proteins/Enzymes	23
1660 – Plants	9

*The number of months it would take to reach a first action on the merits (e.g., an action addressing patentability issues) on a new application filed as of Jan 2005 at today's production rate. Today's production rate means that there are no changes in production due to hiring, attrition, changes to examination processing or examination efficiencies, and that applications are taken up in the order of filing in the given art unit/area. Of course, USPTO is taking aggressive steps to ensure changes that will significantly lower the inventory rates in high-inventory art areas.



Technology Center 1600

Directors

Jasemine Chambers (571) 272-0500

Workgroups 1630, 1661

Bruce Kisliuk (571) 272-0700

Workgroups 1610, 1650

George Elliott (571) 272-0600

Workgroups 1620, 1640



Technology Center 1600

Quality Matrix Staff

Yvonne Eyler, TQAS	(571) 272-0871
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Michael Woodward, TQAS	(571) 272-8373



TC 1600 Staffing (8/05)

Groups	Art Units	Examiners	PhD	MS	Law School	JD	Primary	PSA
1610	5	68	26	14	1	9	25	6
1620	5	69	31	15	1	7	35	3
1630	9	125	84	27	1	7	41	10
1640	9	129	91	22	0	10	42	10
1650	6	83	42	18	0	3	30	10
1660	1	7	1	1	0	0	3	1
TOTAL	35	481	207	84	3	30	176	40



Hires and Attritions

	1600	1700	2100	2600	2800	3600	3700	Corps	Design
FY 04 Hires	75	35	115	116	31	26	45	443	15
FY 04 Attritions	30	26	58	82	58	43	39	336	4
FY 05 BOY Examiner Staff	417	440	563	658	742	422	439	3681	72
FY 05 Hiring Summary (10/1/05)	101	58	225	169	184	91	131	959	19
FY 05 Attrits Summary (10/01/05)	41	38	92	87	51	54	48	411	10
FY 05 Hiring Goal	100	35	200	150	160	90	125	860	20
New Hires as a Percent of Examiner Staffing in the TC	24%	8%	36%	23%	22%	21%	29%	23%	28%



FY 05 Patent Pendency

(as of 10/1/2005)

Technology Center	Average 1 st Action Pendency (months) ¹	Average Total Pendency (months) ²
1600 - Biotechnology and Organic Chemistry	23.0	32.3
1700 - Chemical and Materials Engineering	19.7	29.7
2100 - Computer Architecture Software and Information Security	32.7	43.5
2600 – Communications	30.5	42.3
2800 - Semiconductor, Electrical, Optical Systems	14.5	24.9
3600 - Transportation, Construction, Electronic Commerce	18.4	26.9
3700 - Mechanical Engineering, Manufacturing and Products	18.3	26.3
UPR Total (as of 9/1/2005)	21.1	29.1
FY 05 Target	20.7*	31.0

¹ "Average 1st action pendency" is the average age from filing to first action for a newly filed application, completed during July-September FY 2005.

² "Average total pendency" is the average age from filing to issue or abandonment of a newly filed application, completed during July-September FY 2005.

* Assuming current input and output estimates, the agency should achieve first action pendency of 21.3 months by the end of FY 2005 and total pendency of 30.2 months.



FY 05 Patent Pendency (as of 12/31/04)

Technology Center	Average 1 st Action Pendency ¹ (months)	Average Total Pendency ² (months)
1610 – Organic Compounds: Bioaffecting, Body Treating, Drug Delivery, Steroids, Herbicides, Pesticides, Cosmetics and Drugs	19.8	26.9
1620 – Organic Chemistry	14.3	24.3
1630 – Molecular Biology, Bioinformatics, Recombinant DNA/RNA, Gene Regulation, Nucleic Acid Amplification	24.2	35.1
1640 – Immunology, Receptor/Ligands, Cytokines, Recombinant Hormones, Molecular Biology	23.9	35.8
1650 – Fermentation, Microbiology, Proteins/Enzymes	19.6	31.9
1660 - Plants	7.5	15.7
UPR Total	20.2	29.7

¹ "Average 1st action pendency" is the average age from filing to first action for a newly filed application, completed during 1st quarter FY 2005.

² "Average total pendency" is the average age from filing to issue or abandonment of a newly filed application, completed during 1st quarter FY 2005.



Inventory by Art Examples

High Inventory Art Areas	Months of Inventory*	Low Inventory Art Areas	Months of Inventory*
1614, 1615, and 1617 – Drugs, Bio-affecting and Body Treatment	57-65	1620 – Organic Chemistry	18
1753 – Radiation Imagery	39	1734 – Adhesive Bonding and Coating Apparatus	13
2127 – Computer Task Management	54	2125 – Manufacturing Control Systems and Chemical/Mechanical/Electrical Control	13
2611 – Interactive Video Distribution	88	2651, 2653 – Information Storage and Retrieval	14
2836 – Control Circuits	42	2831 – Electrical Conductors	8
3620 – Business Methods	27 – 106	3651 – Conveying	11
3731 and 3737 – Medical Instruments, Diagnostic Equipment	44-51	3742 – Thermal and Combustion Technology	8

*The number of months it would take to reach a first action on the merits (e.g., an action addressing patentability issues) on a new application filed as of Jan 2005 at today's production rate. Today's production rate means that there are no changes in production due to hiring, attrition, changes to examination processing or examination efficiencies, and that applications are taken up in the order of filing in the given art unit/area. Of course, USPTO is taking aggressive steps to ensure changes that will significantly lower the inventory rates in high-inventory art areas.



Pre-Appeal Brief Conference Pilot

- Offer applicants an optional procedure to request a formal review of the rejections prior to filing of an appeal brief
 - Can save both the resources of the applicant and the Office
- OG notice published on July 12, 2005
- As of August 24, USPTO received over 300 requests



Pre-Appeal Brief Conference Pilot

- Main requirements
 - The request must be filed with the Notice of Appeal
 - The arguments must concisely and specifically point out the error(s) reached by the Office
 - The arguments cannot be more than 5 pages



Pre-Appeal Brief Conference Pilot

- As of Sep. 1, 2005, TC1600 has received 25 requests for pre-appeal brief conferences
- As of Sep. 15, 2005, TC1600 has conducted 10 pre-appeal brief conferences
 - 7 of the 10 received a decision that the appeal would proceed.



USPTO Study on Restriction Reform

- Background
- Four Options
- Steps of the Study
- Green Paper Recommendations



USPTO Study on Restriction Reform

Background

- Study possible reforms to restriction standards applicable to all technologies
- Part of 21st Century Strategic Plan



USPTO Study on Restriction Reform

Background (continued)

- **Strategic Plan**
 - Initiate a study of the changes needed to implement a Patent Cooperation Treaty (PCT) style Unity of Invention standard in the United States.
- **Public Comment Notice published May 2003**
 - No consensus to go to a PCT-style Unity standard.
 - Suggestions for other options made.
- **Revision of Study posted November 2003**
 - Summary of public comments.
 - Study expanded to include four restriction reform options.



USPTO Study on Restriction Reform

■ Four Options

- Option I: Current 35 U.S.C. §121 “independent or distinct” standard and option to request and pay for examination of up to 2 additional independent or distinct inventions for an additional fee.
- Option II: Current PCT “unity of invention” standard (modified to require that any purported special technical/common feature comply with 35 U.S.C. §112, 1st paragraph), and option to request and pay for examination of up to 2 additional inventions that lack unity of invention for an additional fee.



USPTO Study on Restriction Reform

- Four Options (Continued)
 - Option III: New three-tiered structure based on the related-ness of the inventions (substantially similar, related, and unrelated), and fees would be associated with the related-ness.
 - Option IV: Re-interpreted “independent and distinct” standard.



USPTO Study on Restriction Reform

- Steps of the Study
 - Develop details of the standards for each the four options.
 - Sample a representative number of restrictions (about 500), review and apply standard under each of the four options.
 - Compile the data from the reviews and validate data.
 - Perform the business analysis and impacts based on review data and process changes.
 - Draft the "Green Paper."



USPTO Study on Restriction Reform

- Steps of the Study (Continued)
 - June 6, 2005 – Publish Green Paper
 - “Notice of Availability of and Request for Comments on Green Paper Concerning Restriction Practice,” 70 FR 107 (June 6, 2005)
 - Green Paper available at <http://www.uspto.gov>
 - Comment period ends September 14, 2005.
 - Next Steps – Assess the public comments prior to considering the desirability of drafting any proposed legislative changes in a final “White Paper.”



USPTO Study on Restriction Reform

Green Paper Conclusions/Recommendations:

- Options 3 and 4 –
 - Development of standards highlights the difficulty in formulation of any new standard.
 - Not considered viable for implementation.
- Options 1 and 2 – Somewhat more promising in terms of the standards being more workable to implement, the business analysis indicates these would not achieve a desired balance due to workload and pendency impacts.
- The process of improving the quality and predictability of restriction requirements must be a collaborative effort.
- This paper and the TC1600 Restriction Action Plan represent only the first step in an ongoing endeavor to discover feasible solutions.



USPTO Study on Restriction Reform

Green Paper Conclusions/Recommendation (Continued):

- The Office requests comments from the public on:
 - The desirability of conducting further study on Options 1 and 2.
 - Whether the perceived desirability justifies the costs to the Office of continuing the study
 - The impact on the system as a whole.

- Appropriate legislation would need to be enacted in the event a decision to implement Option 1 or 2 is made.
 - Implementation of Option 1 would not be viable without a revision to the fees for search/examination, issue and maintenance.
 - Implementation of Option 2 would require revision to 35 U.S.C. § 121 in addition to the same fee revisions required to implement Option 1.



TC1600 Restriction Practice Action Plan

- Background
- Five Initiatives
- Phase I Examiner Training
- Next Steps



TC1600 Restriction Practice Action Plan

Background:

- Announced October 2003
- Improve quality and consistency of restrictions in TC1600



TC1600 Restriction Practice Action Plan

The action plan includes 5 initiatives:

1. **Emphasis On Rejoinder Practice**
 - Policy memos to examiners
2. **Examiner Training On Restriction Practice**
 - Phase I training completed and training materials posted Aug 2004
3. **Publish Examples Of Claim Sets**
 - Part of training materials, more to come in subsequent Phases
4. **Enhanced Review Of Restriction Requirements**
 - Rolling review of Art Units
5. **Continuous Assessment**
 - Second Pair of Eyes reviews, petition decisions



TC1600 Restriction Practice Action Plan

- **Phase I Examiner Training (August 2004)**
 - Focused on restriction fundamentals
 - Basic criteria for restrictions
 - Linking claims
 - Rejoinder opportunities
 - Included example claims and restriction requirements

- **Next Steps**
 - Developing further training on relationships of inventions specific to biotechnology



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Thank You

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