From: Ozaki, Jiro [mailto:Jiro.Ozaki@jp.sony.com]
Sent: Friday, August 20, 2010 12:54 AM
To: 3-tracks comments
Cc: Koike, Motoyuki; Hayashida, Yuko (IPD)
Subject: Sony Comments on the Enhanced Examination Timing Control Initiative
Importance: High

August 20, 2010

Dear Sir or Madam:

We greatly appreciate your patience.
Please find the enclosed document of the revised and final comments from Sony Corporation to be uploaded to website of USPTO.
Please contact us if anything you may have advice in this matter.

With bet regards,

JIRO OZAKI
General Manager
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Email: jiro.ozaki@jp.sony.com

-----Original Message-----
From: Ozaki, Jiro
Sent: Wednesday, August 18, 2010 1:43 PM
To: '3trackscomments@uspto.gov'
Cc: Koike, Motoyuki; Hayashida, Yuko (IPD)
Subject: RE: Sony Comments on the Enhanced Examination Timing Control Initiative

Dear Sir or Madam:

Since some revisions is necessary to our comments, please do NOT upload it to your website until we re-submit a revised one.
We apologize for causing you trouble.

Regards,

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-----Original Message-----
From: Ozaki, Jiro
Sent: Tuesday, August 17, 2010 7:12 PM
To: 3trackscomments@uspto.gov
Cc: Moriya, Fumihiko; Aoyagi, Susumu; Koike, Motoyuki; Hayashida, Yuko (IPD)
Subject: Sony Comments on the Enhanced Examination Timing Control Initiative
Importance: High

August 17, 2010

Dear Sirs or Madam:

Please find the attached Sony Corporation's comments in response to the Federal Register Notice.
Sony thanks the USPTO for considering our views on enhancing examination timing control.
If you have any questions concerning our comments, please contact us at the address below.

Regards,

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August 16, 2010

Commissioner for Patents
US Patent and Trademark Office
United States Department of Commerce
P.O. Box 1450
Alexandria, VA 22313-1450
U.S.A.
Attention: Robert A. Clarke 3trackscomments@uspto.gov

Re : Sony Corporation's Comments on "Enhanced Examination Timing Control Initiative" (75 Fed. Reg. 31,763)

Dear Mr. Clarke:

Set forth below are Sony Corporation's ("Sony") comments to the USPTO's requests for public comments relative to its Enhanced Examination Timing Control Initiative.

General Comments

Sony is a leading manufacturer of electronics, video, communications, video game console, and information technology products with such well-recognized brands as BRAVIA®, VAIO®, PlayStation®, WALKMAN®, HANDYCAM®, and Cyber-shot®. Rapid and revolutionary innovation has been an essential component of Sony's long term success, and as such Sony has a keen interest in any and all efforts that support strong and fair national patent systems. Sony is a top 10 client to the USPTO, having obtained approximately 1,600 US utility patents and having filed approximately 2,500 new US utility applications in the past year.

Sony relies on its research and development activities around the world to bring new and innovative products to the US. Although Sony seeks US patents for many of its foreign origin inventions, Sony usually finds it most convenient to first file

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patent applications in the country in which an invention is conceived. If first-filed outside the US, and relevant to the US market, Sony typically files a corresponding US application, either directly via the Paris Convention, or via a PCT application under the Patent Cooperation Treaty.

Sony is offering responses to the above-referenced Federal Register Notice because it believes that it is essential that the USPTO understand the dramatic impact its proposal would have on Sony and other similarly-situated companies. While Sony sincerely appreciates the innovative and cooperative approach taken by the USPTO in its efforts to improve the US patent system, Sony considers certain aspects of the present proposal to be a setback.

In particular, Sony is concerned about the potentially discriminatory effect the proposal would have on foreign first-filing patent applicants. Specifically, Sony believes that the proposed rule changes would result in the delay of prosecution of foreign first-filed applications. Delays in prosecution – and by extension delays in the issuance of patents – would dramatically inhibit Sony's ability to protect its inventive efforts in areas of technology that evolve extremely rapidly. Moreover, Sony is concerned that the proposed rules would impose an unreasonable cost burden on applicants by requiring them to prepare documents issued by foreign patent offices in a USPTO-approved format and in the English language as a prerequisite for docketing in the US. Finally, Sony believes that the proposal may have unintended consequences, including applicants engaging in forum shopping and the potential that foreign patent offices may implement reciprocal measures that would add complexity to international patent practice.

Sony welcomes the efforts of the USPTO, JPO, and EPO to harmonize their respective examination processes, but views the potentially discriminatory aspects of the proposed multi-track examination process as creating larger divisions between national practices that would likely result in inconsistent treatment depending on the origin of the first-filed application. With these issues in mind, Sony hereby submits its comments to the 33 questions presented in the Federal Register Notice.

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Specific Comments to the USPTO's Questions

1. Should the USPTO proceed with any efforts to enhance applicant control of the timing of examination?

Yes. Sony agrees with efforts to develop a system that includes timing control for patent application examination. Having some control over examination prioritization on a case-by-case basis is generally attractive. The ability to accelerate or prioritize examination of selected cases (Track I) would be useful in situations that may render a patent application especially time-sensitive. However, because the half-life of modern electronics technology is so short, rapid examination of Track I applications should not be implemented if it would also result in delay of the examination of "regular" (Track II) applications. Similarly, while it may in some cases be desirable to delay prosecution (Track III), Sony would not favor a system that might result in examination delay on "regular" applications or applications that were first filed in a foreign country.

The overarching concern with the proposed scheme is that acceleration of Track I applications might result in corresponding slower examination of Track II applications. Accordingly, while Sony generally embraces the USPTO exploring a multi-track examination system, it would encourage a phased approach so that any unforeseen problems associated with the proposal can be identified before implementing the proposal in full. Regardless of the particular implementation of any multi-track system, however, Sony would firmly oppose any scheme that would either impose additional requirements or delay examination for foreign first-filed US applications as compared with US first-filed applications.

2. Are the three tracks above the most important tracks for innovators?

Generally, yes. A three-track examination system would be advantageous to innovators and innovative companies. Sony generally endorses the notion of a three-track examination system, but not if places foreign first-filed applications in a disfavored class, as is presently proposed.

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3. **Taking into account possible efficiency concerns associated with providing too many examination tracks, should more than three tracks be provided?**

No. Three tracks appear to be reasonable.

4. **Do you support the USPTO creating a single queue for examination of all applications accelerated or prioritized (e.g., any application granted special status or any prioritized application under this proposal)? This would place applications made special under the "green" technology initiative, the accelerated examination procedure and this proposal in a single queue. For this question assume that a harmonized track would permit the USPTO to provide more refined and up-to-date statistics on performance within this track. This would allow users to have a good estimate on when an application would be examined if the applicant requested prioritized examination.**

No. Sony does not support the USPTO creating a single queue for examination of all accelerated or prioritized applications because the requirements for the different types of acceleration and prioritization are different. The following are some programs, including pilot and proposed programs, capable of accelerating examination:

1. Prioritized Examination (Track I): Applicant can request prioritized examination at anytime upon payment of a fee;
2. Patent Prosecution Highway: Applicant must prepare patentable claims with claim corresponding table, translation of any Office Action issued in the first-filed Patent Office, references cited by the Examiner in the first-filed Patent Office, etc.;
3. Petition to Make Special: Applicant can only petition to make an application special at the time of filing a new application, and must prepare Examination Support Document, etc.; and

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4. USPTO exchange program.

Programs 2 and 3 generally impose a greater burden on Applicants, but are less burdensome on the Examiners. As such, applications filed under programs 2 and 3 should be processed more efficiently than those filed under programs 1 and 4. Thus, placing applications filed under programs 2 and 3 in the same queue as those filed under programs 1 and 4 would seems unfair for those Applicants who incurred the greater burden of preparing applications under programs 2 and 3. Moreover, Sony believes that applications having been prepared under the more stringent requirements of programs 2 and 3 should be placed in separate queues insofar as the examination process for such applications should be more efficient and would benefit the USPTO. Accordingly, Sony does not support a single queue for examination of all accelerated or prioritized applications.

5. **Should an applicant who requested prioritized examination of an application prior to filing of a request for continued examination (RCE) be required to request prioritized examination and pay the required fee again on filing of an RCE?**
For this question assume that the fee for prioritized examination would need to be increased above the current RCE fee to make sure that sufficient resources are available to avoid pendency increases of the non-prioritized applications.

Yes, an applicant who requested prioritized examination of an application prior to filing an RCE should be required to renew the request for prioritized examination and pay a fee (but not necessarily the full fee) when filing an RCE. Sony encourages the USPTO to avoid any delay in the examination of non-prioritized applications (Track II), which might be more challenging if Track I applications include a high percentage of RCEs. This answer assumes that the extra fee for an RCE in a Track I application will be used to efficiently process that Track I application and will not divert resources from examining Track II applications.

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6. Should prioritized examination be available at any time during examination or appeal to the Board of Patent Appeals and Interferences (BPAI)?

Yes.

7. Should the number of claims permitted in a prioritized application be limited? What should the limit be?

Yes. The number of claims in a prioritized application should be limited to some extent. However, before specifying a limit on the number of claims to be permitted under prioritized applications, it would be valuable for the USPTO to make an assessment of the relationship between the overall claim count and corresponding costs of examination of prioritized applications.

8. Should other requirements for use of the prioritized track be considered, such as limiting the use of extensions of time?

No comment.

9. Should prioritized applications be published as patent application publications shortly after the request for prioritization is granted? How often would this option be chosen?

No. The earlier a patent application is published, the greater the risk that third parties may improperly capitalize on the inventions disclosed therein. Accordingly, requiring earlier publications for prioritized applications would reduce the incentive for applicants to choose to prioritize their applications.

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10. Should the USPTO provide an applicant-controlled up to 30-month queue prior to docketing for examination as an option for noncontinuing applications? How often would this option be chosen?

Yes. It would be beneficial in some cases to have a "wait-and-see" option, which would allow applicants a limited window of time to determine if a technology has commercial importance before expending additional resources. However, an unduly long delay period could be disadvantageous to the US market since some companies will be reluctant to bring new products to the US in the presence of unexamined published patents with unchallenged claim scope.

11. Should eighteen-month patent application publication be required for any application in which the 30-month queue is requested?

Yes. 18-month patent application publication should be required as usual. However, third parties should be able to trigger examination at an earlier date by filing a request.

12. Should the patent term adjustment (PTA) offset applied to applicant requested delay be limited to the delay beyond the aggregate USPTO pendency to a first Office action on the merits?

In general, the PTA rule should be applied fairly as between foreign-first filing applicants and US-first filing applicants. PTA should be determined based on delay attributable to the USPTO or the applicant, but not a foreign Patent Office.

Generally, the "PTA offset" described in the Federal Register Notice is somewhat unclear and appears to be applied differently depending on the country of first filing. Sony is concerned about any type of PTA rule that would be applied differently based on the origin of an invention, or the Office of first filing. Such a system would be vulnerable to "gamesmanship," including forum shopping where applicants might choose their country of first filing so as to have the patent terminate at

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a latest possible date, or to be enforced at an earliest possible date in the US. Once again, Sony is concerned that the USPTO's multi-track proposal may have significant unintended consequences, and the complexity of the proposed PTA rule is among the more likely reasons for why the proposal may result in such unintended consequences.

13. Should the USPTO suspend prosecution of non-continuing, non-USPTO first-filed applications to await submission of the search report and first action on the merits by the foreign office and reply in USPTO format?

No. Sony does not believe the USPTO should suspend prosecution of a foreign first filed application to await submission of materials regarding a proceeding in another country. First, applicants with foreign first-filed applications would be treated less favorably under the proposed three-track program insofar as the suspension of foreign first-filed applications pending the issuance of a first office action by the foreign patent office necessarily would result in a delay of prosecution relative to US first-filed applications. The corresponding delays in the issuance of US patents that would result from prosecution delays would be particularly harmful to companies that operate in technology fields that evolve extremely rapidly. For such companies, the proposed rules would cause them to be less able to protect their intellectual property and inventive efforts than those companies that opt to first file their patent applications in the US.

Second, Sony believes that any rule requiring a suspension of foreign first-filed applications might motivate applicants to forum shop and to dramatically increase the number of US first-filed patent applications relative to foreign first-filed applications. As such, the proposed suspension rule might have the unintended consequence of increasing rather than decreasing the burden on the USPTO and resulting in an increase in the backlog of cases.

Third, in addition to the prosecution delays that would result if the rules were to be implemented, Sony believes that the proposal would also impose an unreasonable cost burden on applicants by requiring them to prepare documents issued by foreign patent offices in a USPTO-approved format and in the English language as a

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prerequisite for docketing in the US. Given that US first filing applicants do not have these added costs or added procedural obstacles, applicants with foreign first filed applications would necessarily be treated less favorably than those with US first filed applications.

Finally, Sony is concerned that the proposal may have the unintended effect of causing foreign patent offices to implement reciprocal measures that would necessarily add complexity to international patent practice. If foreign patent offices were to implement such reciprocal measures, the efforts on the part of the international patent community to harmonize examination processes across the world would be hampered, and applicants filing their applications in multiple jurisdictions would end up suffering from larger divisions between national practices that would likely result in inconsistent treatment depending on the origin of the first-filed application.

14. Should the PTA accrued during a suspension of prosecution to await the foreign action and reply be offset? If so, should that offset be linked to the period beyond average current backlogs to first Office action on the merits in the traditional queue?

The concept of "offset" and how PTA would be calculated based on actions/delays by foreign patent offices is not very clear. Accordingly, until the relationship between PTA/offset and foreign patent office delays is clarified, Sony is reluctant to answer this question for fear that its reply will be misconstrued.

Nevertheless, Sony notes its view that the USPTO should not adopt a system where PTA is dependent on prosecution in other countries for the simple reason that the time it takes for a foreign patent office to issue a first office action is beyond the control of either the USPTO or the applicants. In addition, if the USPTO were to adopt such a system, the calculation of PTA likely would become more complex than it already is. Finally, Sony is concerned that any changes to the PTA rules might result in gamesmanship to the extent that applicants might seek advantage from filing their foreign first filed applications in patent offices with relatively slower prosecution tracks.

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15. Should a reply to the office of first filing office action, filed in the counterpart application filed at the USPTO as if it were a reply to a USPTO Office action, be required prior to USPTO examination of the counterpart application?

No. Sony does not agree that non-US first-filed applicants should have to first file a reply to the office action for the same reasons outlined in the response to question 13.

16. Should the requirement to delay USPTO examination pending the provision of a copy of the search report, first action from the office of first filing and an appropriate reply to the office of first filing office action be limited to where the office of first filing has qualified as an International Searching Authority?

Sony disagrees with any proposal that requires an applicant with a foreign first filed application to submit any foreign Office Action, reply to that Office Action, or other remarks as a prerequisite to examination (or docketing for examination) in the US Sony also believes that the USPTO should examine all US patent applications that have been properly applied for, and paid for, at the USPTO without favoritism or discrimination.

17. Should the requirement to provide a copy of the search report, first action from the office of first filing and an appropriate reply to the office of first filing Office Action in the USPTO application be limited to where the USPTO application will be published as a patent application publication?

As noted in its responses to questions 13-16, Sony firmly disagrees with any proposal that requires an applicant with a foreign first filed application to submit any foreign office action, reply to such office action, or other remarks as a prerequisite to examination (or docketing for examination) in the US.

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18. Should there be a concern that many applicants that currently file first in another office would file first at the USPTO to avoid the delay and requirements proposed by this notice? How often would this occur?

Yes. In 2009 Sony made approximately 2500 patent filings in the US. Out of this number, approximately 2000 patent filings were based on inventions made and filed outside the US and subsequently filed in the US under the Paris Convention. All such cases would reluctantly be first-filed in the USPTO if the multi-track proposal were to be adopted. If other companies act similarly, the number of US first filings from foreign companies would increase and the USPTO would not realize the benefits of work sharing with foreign offices. Sony is also concerned that the USPTO's proposal will spark foreign patent offices to adopt reciprocal processes, thus negating the well-established advantages of claiming foreign priority under the Paris Convention. This is especially troublesome for Sony since it files patent applications in many different countries, and newly added obstacles triggered by the USPTO's proposal would greatly complicate the international patenting efforts of Sony and companies similarly situated.

19. How often do applicants abandon foreign filed applications prior to an action on the merits in the foreign filed application when the foreign filed application is relied upon for foreign priority in a US application? Would applicants expect to increase that number, if the three track proposal is adopted?

Except for in the rarest of circumstances, Sony does not abandon foreign filed applications prior to an action on the merits in the foreign filed application. The three track proposal will not change this position.

20. Should the national stage of an international application that designated more than the United States be treated as a USPTO

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first-filed application or a non-USPTO first-filed application, or should it be treated as a continuing application?

The premise of this question is unclear, and as a result Sony is reluctant to comment for fear that its response will be misconstrued.

21. Should the USPTO offer supplemental searches by IPGOs as an optional service?

Sony is concerned about the impact that this proposal might have on quality control as it would appear that the USPTO would have little influence on how searches are performed by IPGOs. Specifically, it would appear that the quality of the proposed supplemental searches could vary significantly depending on the competence that a particular IPGO has in a particular technology area.

22. Should the USPTO facilitate the supplemental search system by receiving the request for supplemental search and fee and transmitting the application and fee to the IPGO? Should the USPTO merely provide criteria for the applicant to seek supplemental searches directly from the IPGO?

(See response to question 21.)

23. Would supplemental searches be more likely to be requested in certain technologies? If so, which ones and how often?

(See response to question 21.)

24. Which IPGO should be expected to be in high demand for providing the service, and by how much? Does this depend on technology?

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(See response to question 21.)

25. Is there a range of fees that would be appropriate to charge for supplemental searches?

No comment.

26. What level of quality should be expected? Should the USPTO enter into agreements that would require quality assurances of the work performed by the other IPGO?

(See response to question 21.) To the extent that the USPTO is inclined to implement a supplemental search program, Sony would encourage the USPTO to deploy a pilot program on a small scale before implementing supplemental searches through IPGOs on a larger scale.

27. Should the search be required to be conducted based on the US prior art standards?

Given that any applications for which supplemental searches might be obtained would obviously be examined pursuant to US prior art standards, it would seem appropriate that any such searches should be based on US prior art standards. This highlights the quality control concerns associated with IPGOs performing patentability searches, given the likelihood that searches by IPGOs would be undertaken with varying degrees of familiarity with US prior art standards.

28. Should the scope of the search be recorded and transmitted?

No comment.

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29. What language should the search report be transmitted in?

No comment.

30. Should the search report be required in a short period after filing, e.g., within six months of filing?

No comment.

31. How best should access to the application be provided to the IPGO?

No comment.

32. How should any inequitable conduct issues be minimized in providing this service?

No comment.

33. Should the USPTO provide a time period for applicants to review and make any appropriate comments or amendments to their application after the supplemental search has been transmitted before preparing the first Office action on the merits?

No comment.

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Very truly yours,

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