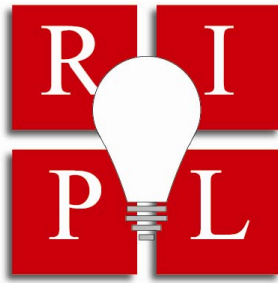


# THE JOHN MARSHALL REVIEW OF INTELLECTUAL PROPERTY LAW



## PUTTING YOURSELF IN THE SHOES OF A PATENT EXAMINER: OVERVIEW OF THE UNITED STATES PATENT AND TRADEMARK OFFICE (USPTO) PATENT EXAMINER PRODUCTION (COUNT) SYSTEM

NAIRA REZENDE SIMMONS

### ABSTRACT

The mission of the United States Patent and Trademark Office (USPTO) is to ensure that the Intellectual Property system contributes to a strong global economy, encourages investment in innovation, and fosters entrepreneurial spirit. In order to ensure that the large volume of newly filed patent applications are examined in a reasonable timeframe, the USPTO has a system for determining the average amount of time an examiner should spend examining a patent application.

Under the current production system, productivity is assessed based on Production Units (“PUs”) achieved relative to the Examiner’s production goal. The production goal is calculated for each examiner based on the number of “Examining Hours” worked in the evaluation period and quantitative values assigned to examiner seniority and complexity of the technology examined. To quantify “Production Units”, a Patent Examiner receives different “counts” for different tasks performed at different stages in prosecution. Understanding this examiner production system - also known as “count” system - is important at least because it educates a patent applicant on the system in which Patent Examiners operate. For instance, the Examiner production system underscores the importance of the events conducted in the early stages of patent prosecution.

The goal of this note is to provide an overview of the system in which Patent Examiners operate by summarizing important aspects of the system currently used to evaluate the performance of a Patent Examiner.

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I. INTRODUCTION

The United States Patent and Trademark Office (USPTO) is an agency in the U.S. Department of Commerce that issues patents to inventors and businesses for their inventions.<sup>1</sup> The process of reviewing *each* and *every one* of the hundreds of thousands of patent applications received by the USPTO every year – a total of 629,647 new patent applications were received just in the year of 2015<sup>2</sup> – often falls under the responsibility of one of the over 8,000 Patent Examiners currently employed by the USPTO.<sup>3</sup> In general, the most important task of a Patent Examiner is to review the technical information disclosed in a patent application and to compare it to the state of the art.<sup>4</sup> Such a task can be lengthy and complex: it typically involves reading and understanding patent specifications, searching the prior art to determine what technological contribution the application teaches the public, and evaluating the scope of the claims.<sup>5</sup> A proper review of patent applications typically requires a Patent Examiner to learn new aspects of a technology, and in some cases, it requires an examiner to learn a completely new technology.<sup>6</sup> To further complicate the task, the USPTO acknowledges that the rise of new technologies with increased technological complexity, the exponential growth of available prior art, the transition to the cooperative patent classification system (CPC), the increased used of electronic tools,

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\* © Naira Rezende Simmons 2017. Juris Doctor graduate of the University of California Hastings College of the Law. I am grateful to professor Robin Feldman for her comments and guidance. I am also grateful to Senior Patent Counselor Bruce Kisliuk of Wilson Sonsini Goodrich & Rosati for comments and guidance. Any mistakes or omissions are mine alone.

<sup>1</sup> See generally UNITED STATES PATENT AND TRADEMARK OFFICE, *About Us*, <https://www.uspto.gov/about-us> (last visited Sep. 15, 2017).

<sup>2</sup> See UNITED STATES PATENT AND TRADEMARK OFFICE, *U.S. Patent Statistics Chart Calendar Years 1963-2015*, Government Website (Jan 15, 2017), [https://www.uspto.gov/web/offices/ac/ido/oeip/taf/us\\_stat.htm](https://www.uspto.gov/web/offices/ac/ido/oeip/taf/us_stat.htm).

<sup>3</sup> Dennis Crouch, *USPTO's Swelling Examiner Rolls*, PATENTLY-O (last updated Nov. 30, 2014), <https://patentlyo.com/patent/2014/11/usptos-swelling-examiner.html>.

<sup>4</sup> dict.cc, *Patent Examiner*, Definitional Word Bank (last visited Sep. 11, 2017), [http://www7.dict.cc/wp\\_examples.php?lp\\_id=1&lang=en&s=patent%20examiner](http://www7.dict.cc/wp_examples.php?lp_id=1&lang=en&s=patent%20examiner).

<sup>5</sup> Law Offices of Mark E. Wiemelt, P.C., *Patent Overview*, Informational Overview (last visited Sep. 11, 2017), <http://www.wiemeltlaw.com/id13.html>.

<sup>6</sup> UNITED STATES PATENT AND TRADEMARK OFFICE, *General Information Concerning Patents*, <https://www.uspto.gov/patents-getting-started/general-information-concerning-patents> (last visited Sep. 15, 2017).

and changes in policy and legal interpretation has substantially changed patent prosecution.<sup>7, 8</sup>

Considering the amount of work required to properly consider a patent application, it is not surprising that the review of each case can take a significant amount of time and effort.<sup>9</sup> Yet, Patent Examiners are expected to be efficient in their work and to determine patentability within a limited amount of time.<sup>10</sup> So, who are our Patent Examiners and how are they promoting the progress of science and the useful arts in a limited amount of time?

## II. BACKGROUND

The mission of the USPTO is to ensure that the Intellectual Property system contributes to a strong global economy, encourages investment in innovation, and fosters entrepreneurial spirit.<sup>11</sup> In order to ensure that the large volume of newly filed patent applications are examined in a reasonable timeframe, the USPTO has a system for determining the average amount of time an examiner should spend examining a patent application.<sup>12</sup>

Under the current production system, productivity is assessed based on Production Units (“PUs”) achieved relative to the Examiner’s production goal.<sup>13</sup> The production goal is calculated for each examiner based on the number of “Examining Hours” worked in the evaluation period, quantitative values assigned to examiner seniority and complexity of the technology examined.<sup>14</sup> To quantify PUs, a Patent Examiner receives different “counts” for different tasks performed at different stages in prosecution.<sup>15</sup> Understanding this examiner production system - also known as “count” system - is important, at least because it educates a patent applicant on the system in which Patent Examiners operate.<sup>16</sup> For instance, the Examiner production

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<sup>7</sup> The USPTO has recently undertaken an Examination Time Goals Study with the explicit goal of “establishing the optimal pendency and quality levels for both patents and trademarks that will enable [it] to operate efficiently and effectively in a steady-state maintenance mode, while considering the expectations of the IP community.” UNITED STATES PATENT AND TRADEMARK OFFICE, *Examination Time and the Production System*, Informational Post (Jan. 15, 2017), <https://www.uspto.gov/sites/default/files/documents/Examination%20Time%20and%20the%20Production%20System.pdf>.

<sup>8</sup> See generally *id.*

<sup>9</sup> See dict. cc, *Patent Examiner*, Definitional Word Bank (last visited Sep. 16, 2017), [http://www7.dict.cc/wp\\_examples.php?lp\\_id=1&lang=en&s=patent%20examiner](http://www7.dict.cc/wp_examples.php?lp_id=1&lang=en&s=patent%20examiner).

<sup>10</sup> See *id.*

<sup>11</sup> UNITED STATES PATENT AND TRADEMARK OFFICE, *Mission and Organization of the USPTO*, Informational Post (last visited Sep. 16, 2017), [https://www.uspto.gov/sites/default/files/documents/USPTO\\_2014-2018\\_Strategic\\_Plan.pdf](https://www.uspto.gov/sites/default/files/documents/USPTO_2014-2018_Strategic_Plan.pdf).

<sup>12</sup> UNITED STATES PATENT AND TRADEMARK OFFICE, *Examination Time and the Production System*, *supra* note 7.

<sup>13</sup> *Id.*

<sup>14</sup> *Id.*

<sup>15</sup> *Id.*

<sup>16</sup> UNITED STATES PATENT AND TRADEMARK OFFICE, *General Information Concerning Patents*, *supra* note 6.

system underscores the importance of the events conducted in the early stages of patent prosecution<sup>17</sup>

The goal of this article is to provide an overview of the system in which Patent Examiners operate by summarizing important aspects of the system currently used to evaluate the performance of a Patent Examiner.

### III. PATENT EXAMINER HIERARCHY AND PRODUCTION REQUIREMENTS

After the submission of filing formalities is completed, every new patent application received by the USPTO is sent out to contractors that review its claims and specifications.<sup>18</sup> The contractors classify the application based on its technology.<sup>19</sup> In due course, each one of these applications is assigned to a Patent Examiner within that Art Unit for review and consideration.<sup>20</sup>

In the United States, all Utility Patent Examiners (not including Design Patent Examiners) must have a science or engineering degree.<sup>21</sup> These Patent Examiners are employed at different seniority grade levels: GS – 5, GS – 7, GS – 9, GS – 11, GS – 12, GS – 13, GS – 14 (primary examiner), or GS – 15 (supervisory Patent Examiner (SPE)).<sup>22</sup> Up until GS – 13, Patent Examiners may be referred to as assistant or junior Patent Examiners and most of their work is reviewed and approved by either a primary examiner or an SPE.<sup>23</sup> At GS – 13, Patent Examiners become eligible to start the Partial Signatory Authority (PSA) program, and may be given signatory authority to sign all of their own non-final rejections and other non-final communications to applicants.<sup>24</sup> Shortly thereafter, a Patent Examiner may complete an additional testing phase known as the ‘Full Signatory Authority’ (FSA) program.<sup>25</sup> When a Patent

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<sup>17</sup> John J. Penny, V and Joshua I. Rudawitz, *The examiner count system: why patent examiners are on your side*, Informational Post (last visited Sep. 16, 2017), <https://www.lexology.com/library/detail.aspx?g=a91e68de-a1bb-4ec1-b697-1e925ccd4ecb>, (describing that “Under the current count system, more counts are granted for tasks performed early in prosecution to provide an incentive for examiners to “dispose” of cases quickly—either through abandonment or the granting of a Notice of Allowance.”)

<sup>18</sup> This is in contrast to Trademark applications. Trademark Applicants need to decide at the time of filing which technology center should review the Trademark application. UNITED STATES PATENT AND TRADEMARK OFFICE, *Trademark Basics*, Informational Post (last visited Sep. 16, 2017), <https://www.uspto.gov/trademarks-getting-started/trademark-basics>.

<sup>19</sup> UNITED STATES PATENT AND TRADEMARK OFFICE, *Overview of the U.S. Patent Classification System (USPC)*, (2012), <https://www.uspto.gov/sites/default/files/patents/resources/classification/overview.pdf>.

<sup>20</sup> *Id.* As of January 1, 2013 the USPTO adopted the Cooperative Patent Classification System (CPC). The CPC is a system for organizing all U.S. patent documents into collections based on common subject matter and there are over 400 classes in the U.S. patent classification system, further divided into subclasses.

<sup>21</sup> UNITED STATES PATENT AND TRADEMARK OFFICE, *General Information Concerning Patents*, *supra* note 6.

<sup>22</sup> FEDERAL PAY, *GS-13 – 2017 Federal GS PayScale*, <https://www.federalpay.org/gs/2017/GS-13> (last visited Sep. 16, 2017).

<sup>23</sup> *See id.*

<sup>24</sup> Shine Tu, *Patent Examiners and Litigation Outcomes*, 17 STAN. TECH. L. REV. 507, 517 (2014).

<sup>25</sup> *Id.*

Examiner has passed the FSA program they become ‘primary examiners.’<sup>26</sup> Primary examiners are given full signatory authority and can sign all of their own office actions (e.g. allowances, rejections) without review and approval by a supervisor.<sup>27</sup> If a Patent Examiner chooses to become a supervisor, he/she may be promoted to a position called Supervisory Primary Examiner (SPE, pronounced “spee”), and may supervise the work of anywhere from eight to fifteen junior examiners.<sup>28</sup>

Why does seniority matter? Seniority matters because the **Production Requirements** of a Patent Examiner, quantified as **PU**s, depend on the GS level of the examiner and the class of the technology under review.<sup>29,30</sup> In practice, a “signatory factor” is used to weigh and adjust the amount of time that a Patent Examiner at each seniority level is expected to spend on a given patent Application.<sup>31</sup> **Table 1** shows an example of how the seniority factor adjustment may determine the number of actual hours (plotted as hours/PU) that Patent Examiners at different grade levels are allotted to spend on each application.<sup>32</sup>

<b>Table 1 – Illustrates an example of the hours based on one technology, i.e., this is based on an art area of 16.6 hours/PU for the GS-12 Patent Examiner Grade</b>			
<b>Patent Examiner Grade</b>	<b>Signatory Authority</b>	<b>Signatory Factor</b>	<b>Expectancy (Hrs/PU)</b>
GS-5	None	0.55	30.2
GS-7	None	0.7	23.7
GS-9	None	0.8	20.8
GS-11	None	0.9	18.4
GS-12	None	1.0	16.6
GS-13	None	1.15	14.4
GS-13	PSA	1.25	13.3
GS-14	PSA	1.25	13.3
GS-14	FSA	1.35	12.3

<sup>26</sup> *Id.*

<sup>27</sup> *Id.*

<sup>28</sup> *Id.*; see also *supra* note \* (information obtained from Bruce Kisliuk, Senior Patent Counselor, Wilson Sonsini Goodrich & Rosati, P.C.).

<sup>29</sup> Individual utility examiner production expectancies are calculated by dividing the unadjusted expectancy by the Seniority Factor. Therefore, GS-12 examiners have an adjusted expectancy that is equal to the unadjusted expectancy (i.e., Seniority Factor equals 1). GS-11 examiners and below have an adjusted expectancy that is higher than the unadjusted expectancy. And GS-13 examiners and above have an adjusted expectancy that is lower than the unadjusted expectancy. Wiemelt, *supra* note 5.

<sup>30</sup> See, e.g., UNITED STATES PATENT AND TRADEMARK OFFICE, *Office Action Estimator Calculator*, <https://www.uspto.gov/learning-and-resources/statistics/first-office-action-estimator> (last visited Jan. 15, 2017).

<sup>31</sup> See UNITED STATES PATENT AND TRADEMARK OFFICE, *Examination Time and the Production System*, <https://www.uspto.gov/sites/d> (last visited Jan. 15, 2017).

<sup>32</sup> UNITED STATES PATENT AND TRADEMARK OFFICE, *Examination Time and the Production System*, *supra* note 7 (Note that Design Patent Examiners have different seniority factors).

All Patent Examiners, regardless of their ranking, receive credit for the efforts they place on various tasks during the examination of a patent based on a *Patent Examiner Production, or “Count” System*.<sup>33</sup> The USPTO first created an examiner count system in the mid-1960s.<sup>34</sup> The count system was revised in 1976 and very few changes were made until 2010, when the USPTO worked with the leadership of the Patent Office Professional Association (POPA)<sup>35</sup> to develop and implement a new examiner count system.<sup>36</sup> The count system was designed to: 1) provide a strong incentive for patents and examiners alike to achieve a “balanced disposition” (“BD”) of a patent application;<sup>37</sup> and to 2) provide a clear and precise system under which the production of a Patent Examiner is measured.

Although examiners are evaluated based on the quality or errors that are later found in their work, quality of the examiner’s work is a smaller component of their performance measurement, than production and docket management combined.<sup>38</sup> Quantity is the easiest objective metric to quantitate; and the count system rewards the volume of applications processed by an examiner.<sup>39</sup> To illustrate how the count system rewards the volume of work completed, consider the following: examiner overall yearly performance<sup>40</sup> is evaluated with a combination of four elements:

- 1) 35% = Production, which is a measure of the number of office actions completed within an evaluation period;
- 2) 20% = Docket Management, which is a measure of compliance with timeliness goals;
- 3) 35% = Quality, which is a measure of compliance with the quality major activities defined in the examiner Performance Appraisal Plan;
- 4) 10% = Stakeholder Interaction, which is a customer service element.

The production element of the Production Units can be summarized as follows:

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<sup>33</sup> UNITED STATES PATENT AND TRADEMARK OFFICE, *Patent Examiner Count System*, <https://www.uspto.gov/patent/initiatives/patent-examiner-count-system> (last visited Jan. 15, 2017).

<sup>34</sup> See, UNITED STATES PATENT AND TRADEMARK OFFICE, *USPTO Joint Labor-Management Task Force Proposes Significant Changes to Examiner Count System*, <https://www.uspto.gov/about-us/news-updates/uspto-joint-labor-management-task-force-proposes-significant-changes-examine-0> (last visited Jan. 15, 2017).

<sup>35</sup> The Patent Office Professional Association (POPA) is the union that represents Patent Examiners. See PATENT OFFICE PROFESSIONAL ASSOCIATION, <http://www.popa.org/forms/about-us/>, (last visited Jan. 15, 2017).

<sup>36</sup> See, e.g., [http://www.popa.org/static/media/uploads/uploads/examiner-pap-guidelines-04\\_19\\_12-508.pdf](http://www.popa.org/static/media/uploads/uploads/examiner-pap-guidelines-04_19_12-508.pdf)

<sup>37</sup> There are basically only two ways to achieve a balanced disposition: when an examiner allows the case or when the Applicant abandons it. See, e.g., [http://www.popa.org/static/media/uploads/uploads/examiner-pap-guidelines-04\\_19\\_12-508.pdf](http://www.popa.org/static/media/uploads/uploads/examiner-pap-guidelines-04_19_12-508.pdf)

<sup>38</sup> See UNITED STATES PATENT AND TRADEMARK OFFICE, *Examination Time and the Production System*, *supra* note 7.

<sup>39</sup> See *id.*

<sup>40</sup> Examiners receive an overall annual performance rating based on a weighted average of performance rated on productivity (35%), quality (35%), docket management (20%), and stakeholder interaction. UNITED STATES PATENT AND TRADEMARK OFFICE, *Examination Time and the Production System*, *supra* note 7.

$$\frac{(\# \text{ of Examining Hours}) \times (\text{Seniority Factor})}{(\text{Technology Complexity})} := \# \text{ PUs needed for 100\% of goal}^{41}$$

As illustrated in the equation, the production goal is calculated for each examiner based on the number of “Examining Hours” worked in the evaluation period and quantitative values assigned to examiner seniority and complexity of the technology examined.<sup>42</sup> ***Each Production Unit is equal to 2 “counts.”***<sup>43</sup> It is useful to understand how each count is awarded in prosecution to understand the tasks where a Patent Examiner is expected to focus most of his/her attention on. This is discussed in further detail below.

Furthermore, the production goal also considers the Technology Complexity of each application.<sup>44</sup> Each application carries a classification with an associated unadjusted expectancy based on the complexity of technologies within that classification.<sup>45</sup> Associated unadjusted expectancies range from 13.8 hours/PU to 31.6 hours/PU for utility applications, and are adjusted based on the examiner’s seniority as illustrated in Table 1.<sup>46</sup> For example, a technology associated with “fishing lures” may be associated with an unadjusted expectancy of 16.6 hours/PU, a technology associated with immunotherapies may be associated with an unadjusted expectancy of 25.9 hours/PU, and a technology associated with satellite communication may be associated with an unadjusted expectancy of 27.7 hours/PU.<sup>47</sup>

Thus, a ***combination*** of the ***Technology Complexity***<sup>48</sup> and the ***Patent Examiner’s Grade Level*** is what determines the amount of time that a Patent Examiner is given to review each patent application.<sup>49</sup>

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<sup>41</sup> A “Production Unit” or “PU” equals 2 counts. *Id.*

<sup>42</sup> *Id.*

<sup>43</sup> *Id.*

<sup>44</sup> *See id.*

<sup>45</sup> *See, e.g., UNITED STATES PATENT AND TRADEMARK OFFICE, Examination Time and the Production System*, <https://www.uspto.gov/sites/default/files/documents/Examination%20Time%20and%20the%20Production%20System.pdf>, (last visited Sep. 17, 2017).

<sup>46</sup> UNITED STATES PATENT AND TRADEMARK OFFICE, *Examination Time and the Production System*, *supra* note 7.

<sup>47</sup> UNITED STATES PATENT AND TRADEMARK OFFICE, *Examination Time and the Production System*, <https://www.uspto.gov/sites/default/files/documents/Examination%20Time%20and%20the%20Production%20System.pdf>, (last visited Sep. 17, 2017).

<sup>48</sup> As of January 1, 2013 the USPTO adopted the Cooperative Patent Classification System (CPC). The CPC is being relied upon to determine the amount of time that a Patent Examiner is given to work on each Patent Application. UNITED STATES PATENT AND TRADEMARK OFFICE, *Overview of the U.S. Patent Classification System (USPC)*, <https://www.uspto.gov/patents-application-process/patent-search/classification-standards-and-development>, Informational Post (last visited Sep. 17, 2017).

<sup>49</sup> UNITED STATES PATENT AND TRADEMARK OFFICE, *Examination Time and the Production System*, <https://www.uspto.gov/sites/default/files/documents/Examination%20Time%20and%20the%20Production%20System.pdf>, (last visited Sep. 17, 2017).



## IV. EXAMINING HOURS AND THE CORE OF THE “COUNT” SYSTEM

Patent examination is comprised of a variety of tasks, each of which consume a greater or lesser share, on average, of the total time required to examine an application.<sup>50</sup> **Examining Hours** are a subset of a Patent Examiner’s compensated time.<sup>51</sup> Generally, activities that directly relate to examination of an application and generation of a Production Unit are included as Examining Hours. Examples of major examination activities include: a) reviewing the application; b) analyzing the claims; c) searching the prior art; d) considering prior art (including Invention Disclosure Statements (IDSs)); e) consulting with colleagues; f) writing office actions; g) addressing applicants’ responses; and h) administrative activities (e.g., reading and responding to e-mails).<sup>52</sup> Many of these activities are performed in the early stages of prosecution.

The Patent Examiner count system acknowledges that examination of a patent application typically requires a significant amount of work *up-front* by a Patent Examiner.<sup>53</sup> This make sense since a significant amount of the Examiner’s time is placed in understanding the invention as whole and designing the best possible search to determine what has been previously taught in the field about the invention. To underscore this point, the key reported objectives of the 2010 count system overhaul were “to provide more overall time for examination and to place emphasis on complete and thorough **initial** examination, encourage quicker resolution of issues, and to reduce unnecessary rework.”<sup>54</sup>

To achieve this goal, the count system was re-worked to give Patent Examiner’s a higher count for each First Action on the Merits (FAOM). Each serial new (*i.e.*, not a request for continuing examination, (RCE)) application carries **1 Production Unit (PU) or 2.0 counts**, a fraction of which is awarded for each major Office Action type.<sup>55</sup> A Patent Examiner currently receives a count of 1.25 for a FAOM.<sup>56</sup> Furthermore, a Patent Examiner receives a reduced number of counts for issuing either a notice of allowance or an abandonment, and such count credit was structured to incentivize a thorough and complete first action on the merits by awarding most of the PUs at first action, and less credit for follow-on actions.<sup>57</sup> No credit is given for rework (e.g., 2<sup>nd</sup>

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<sup>50</sup> See PATENT OFFICE PROFESSIONAL ASSOCIATION, [http://www.popa.org/static/media/uploads/uploads/examiner-pap-guidelines-04\\_19\\_12-508.pdf](http://www.popa.org/static/media/uploads/uploads/examiner-pap-guidelines-04_19_12-508.pdf), (last visited Jan. 15, 2017).

<sup>51</sup> *Id.*

<sup>52</sup> It is worth noting that some of the programs where Patent Examiners receive additional time for analysis, *e.g.*, AFCP 2.0, QPIDS, etc., are typically excluded from Examining hours. UNITED STATES PATENT AND TRADEMARK OFFICE, *Examination Time and the Production System*, *supra* note 7.

<sup>53</sup> See Table 3, which illustrates that an Examiner gets 1.25 credits for a FAOM.

<sup>54</sup> *Id.*

<sup>55</sup> UNITED STATES PATENT AND TRADEMARK OFFICE, *Examination Time and the Production System*, <https://www.uspto.gov/sites/default/files/documents/Examination%20Time%20and%20the%20Production%20System.pdf>, (last visited Sep. 17, 2017).

<sup>56</sup> See Table 3.

<sup>57</sup> *Id.*

non-final).<sup>58</sup> In most, but not all cases, RCEs carry a fraction of a PU (e.g., 1.75 counts) and the credit for a first action is reduced by a corresponding amount. The tables shown below are reproductions of the tables published by the USPTO and provide a summary of the count system before and after the 2010 overhaul.<sup>59</sup>

Table 2 – Prior to February 2010									
Original Case (non-RCE)			1 <sup>st</sup> RCE			2 <sup>nd</sup> & Subsequent RCEs			Counts
FAOM	Final	All/Abn	FAOM	Final	All/Abn	FAOM	Final	All/Abn	
1.00		1.00							= 2 Original
1.00		1.00	1.00		1.00				= 2 1 <sup>st</sup> RCE
1.00		1.00	1.00		1.00	1.00	1.00		= 2 2 <sup>nd</sup> RCE

Table 3 – Since February 2010									
Original Case (non-RCE)			1 <sup>st</sup> RCE*			2 <sup>nd</sup> & Subsequent RCEs*			Counts
FAOM	Final	All/Abn	FAOM	Final	All/Abn	FAOM	Final	All/Abn	
1.25	0.25	0.5							= 2 Original
1.25	0.25	0.5	1.00	0.25	0.5				= 2 1 <sup>st</sup> RCE
1.25	0.25	0.5	1.00	0.25	0.5	0.75	0.25	0.5	= 2 2 <sup>nd</sup> RCE

\*RCE credits have been temporarily increased to reduce the RCE backlog

To further support its goal of providing a strong incentive for patents and examiners alike to achieve a “balanced disposition” (BD) of a patent application; the 2010 count system overhaul also gives Patent Examiners “other time” for substantive Examiner-initiated interviews.<sup>60</sup> This includes time for preparing for the interview, conducting the interview, and completing the post-interview documentation.<sup>61</sup> One of the expected benefits of this policy change is to support compact prosecution practice by encouraging examiners to be proactive in prosecution and work with applicants.<sup>62</sup>

<sup>58</sup> UNITED STATES PATENT AND TRADEMARK OFFICE, *Examination Time and the Production System*, <https://www.uspto.gov/sites/default/files/documents/Examination%20Time%20and%20the%20Production%20System.pdf>, (last visited Sep. 17, 2017).

<sup>59</sup> For a video overview of The Patent Examiner Count System see the September 18, 2013 presentation by Brinks, Hofer, Gilson, & Lione. Amir Penn, *The Patent Examiner Count System and After Final Consideration Pilot Program 2.0* (2013), available at <https://www.youtube.com/watch?v=VU8YAZR5M5E>. See also Nutter, *The Examiner Count System: Why Patent Examiners Are on Your Side*, Informational Post (Nov. 18, 2014), <http://www.nutter.com/pp/publication-IP-Bulletin-November-2014-11-18-2014.pdf>.

<sup>60</sup> MPEP § 713, *et. seq.*

<sup>61</sup> *Id.*

<sup>62</sup> See UNITED STATES PATENT AND TRADEMARK OFFICE, *Overview of Count System Initiatives and Changes*,

Thus, Applicants and Patent Examiner's alike are encouraged to engage in discussions early in prosecution to achieve a balanced disposition of the patent application.<sup>63</sup>

## V. CONCLUSION

The mission of the USPTO is to ensure that the Intellectual Property system contributes to a strong global economy, encourages investment in innovation, and fosters entrepreneurial spirit.<sup>64</sup> In order to ensure that the large volume of newly filed patent applications are examined in a reasonable timeframe, the USPTO has a system for determining the average amount of time an examiner should spend examining a patent application.<sup>65</sup>

Under the current production system, productivity is assessed based on Production Units (PUs) achieved relative to the Examiner's production goal.<sup>66</sup> The production goal is calculated for each examiner based on the number of "Examining Hours" worked in the evaluation period and quantitative values assigned to examiner seniority and complexity of the technology examined.<sup>67</sup> To quantify "Production Units", a Patent Examiner receives different "Counts" for different tasks performed at different stages in prosecution.<sup>68</sup> Understanding this examiner production system - also known as "Count" system - is important at least because it educates a patent applicant on the system in which Patent Examiners operate.<sup>69</sup> For instance, the Examiner production system underscores the importance of the events conducted in the early stages of patent prosecution.<sup>70</sup>

This article summarized important aspects of the system currently used to evaluate the performance of a Patent Examiner with the explicit goal of helping a patent applicant understand the system in which a Patent Examiner operates.

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[https://webcache.googleusercontent.com/search?q=cache:Q4AV0bzhGnoJ:https://www.uspto.gov/sites/default/files/patents/init\\_events/Count\\_System\\_changes-Overview\\_3-8-2010.ppt+&cd=1&hl=en&ct=clnk&gl=us&client=safari](https://webcache.googleusercontent.com/search?q=cache:Q4AV0bzhGnoJ:https://www.uspto.gov/sites/default/files/patents/init_events/Count_System_changes-Overview_3-8-2010.ppt+&cd=1&hl=en&ct=clnk&gl=us&client=safari) (last visited Sep. 12, 2017).

<sup>63</sup> See Nutter McClennen & Fish LLP, *The Examiner Count System: Why Patent Examiners Are on Your Side*, LEXOLOGY (Nov. 18, 2014), <https://www.lexology.com/library/detail.aspx?g=a91e68de-a1bb-4ec1-b697-1e925ccd4ecb>.

<sup>64</sup> UNITED STATES PATENT AND TRADEMARK OFFICE, *Mission and Organization of the USPTO*, *supra* note 11.

<sup>65</sup> UNITED STATES PATENT AND TRADEMARK OFFICE, *Examination Time and the Production System*, *supra* note 7.

<sup>66</sup> *Id.*

<sup>67</sup> *Id.*

<sup>68</sup> *Id.*

<sup>69</sup> UNITED STATES PATENT AND TRADEMARK OFFICE, *General Information Concerning Patents*, *supra* note 6.

<sup>70</sup> *See id.*