

From: Klein, Marlene  
Sent: Thursday, August 19, 2010 6:56 PM  
To: 3-tracks comments  
Subject: Comments the Enhanced Examination Timing Control Initiative

Dear Sirs:

Please find attached comments from Canon, Inc. responsive to the Enhanced Examination Timing Control Initiative published in the Federal Register at 75 Fed. Reg. 31763 (June 4, 2010) .

Regards,

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Manager

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If you are not the intended recipient, please notify Marlene Klein immediately at (949) 932-3132 or via email at mklein@cusa.canon.com, and destroy all copies of this message and any attachments.

August 19, 2010

**Hon. David J. Kappos**  
**Under Secretary of Commerce for Intellectual Property and**  
**Director of the United States Patent and Trademark Office**  
**United States Patent and Trademark Office**  
**PO BOX 1450**  
**Alexandria, VA 22313-1450**

**Re: Comments to “Enhanced Examination Timing Control Initiative”**

Dear Under Secretary Kappos:

Canon, Inc. and its subsidiaries (“Canon”) is a leading manufacturer of Office Network Digital Multifunction Devices (MFDs), Color Network Digital MFDs, Personal-use Network Digital MFDs, Office Copying Machines, Full-color Copying Machines, Personal-use Copying Machines, Laser Printers, Large Format Inkjet Printers, Digital SLR Cameras, Compact Digital Cameras, Interchangeable Lenses, Digital Video Cameras, Inkjet Multifunction Printers, Single Function Inkjet Printers, Image Scanners, Broadcast-use Television Lenses, Semiconductor Production Equipment, Mirror Projection Mask Aligners for LCD Panels, Medical Image Recording Equipment, and so on with well-recognized brands in the United States. Canon relies on its various research and development activities around the world to bring new products to the U.S. Canon has been a top 5 client to the USPTO over the past 10 years, and, in the last year, obtained about 2,200 U.S. utility patents and filed about 2,700 new US utility applications. Although Canon seeks US patents for many of its foreign origin inventions, Canon usually finds it most convenient to first file patent applications in the country in which the invention was initially conceived. If first filed outside the US, and relevant to the US market, Canon usually files a corresponding US application within one year, either directly via the Paris Convention, or via a PCT application, under the Patent Cooperation Treaty.

While Canon sincerely appreciates the recent USPTO’s efforts to improve the US patent system, reduce the backlog and shorten an examination time period, the proposal of “**Enhanced Examination Timing Control Initiative**” will significantly impact Canon and Canon considers that some aspects of the proposal are discriminatory.

Therefore, Canon respectfully submits written comments to the proposal of "**Enhanced Examination Timing Control Initiative**" as follows.

- 1. For applications filed in the USPTO that are based on a prior foreign-filed application, no action would be taken by the USPTO until the USPTO receives additional required documents, like a copy of a search report, if any, and first action on the merits (FA) from any other PTO, and an appropriate reply to the FA.**

- 1-1. Canon does not support such a requirement of submitting the additional required documents for a non-USPTO first filed application.**

Canon understands that a purpose of the USPTO proposal is for effectively conducting examination of a non-USPTO first filed application by utilizing the examination result provided by other PTO in a prior foreign-filed application. However, to prepare the additional required documents proposed will cause significant disadvantage to an applicant like Canon that mostly files non-USPTO first filed applications, and it will be too heavy a burden for Canon to prepare the required documents in all non-USPTO first filed applications. It, also, will significantly increase costs for US patent prosecution because of additional work for preparation of the required documents including language translations. Further, if FA from PTO other than USPTO is delayed, the examination of non-USPTO first filed application is automatically delayed. Therefore, foreign applicants including Canon will have to first file a patent application to USPTO to avoid such unreasonable delay beyond an applicant control, and this will increase the number of USPTO first filed applications, and the increased number of USPTO first filed applications will prevent the USPTO from achieving its goal of reducing the overall pendency of patent applications which currently stands at almost three years.

Further, Canon believes that the USPTO proposal should not be applied to at least currently pending applications filed in the USPTO. Because applicants like Canon who mostly filed non-USPTO first filed applications would have disadvantages which the applicants did not

imagine and expect if the USPTO proposal were applied to the currently pending applications. Furthermore, Canon believes that the USPTO proposal should not apply to applications filed in the USPTO after implementation of the proposal that claim priority to a foreign application filed prior to implementation of the rules because applicants like Canon are making decisions regarding where to first file a patent application based on the rules of the PTOs at the time of filing the first application. Such decisions cannot be based on rules that are not in effect at the time of filing the first application.

**1-2. Canon does not support a rule to offset positive PTA (Patent Term Adjustment) accrued in the application when applicants file the required documents to a non-USPTO first filed application, for an application in any of the three tracks that claims foreign priority.**

The reduction of PTA should be applied, based on 35 U.S.C. 154(b)(2)(c)(i), to the period of time which the applicant failed to engage in reasonable efforts to conclude prosecution of the application.

However, a reason why the examination in a prior foreign-filed application delays is mostly caused by a PTO in the prior foreign-filed application. Therefore, it is unfair that the applicant is disadvantaged by such a reduction of PTA based on the delay of the examination by the PTO beyond the applicants' control.

**2. Providing 3 (three) Tracks for examination timing control ("Three Track System") to a USPTO first filed application**

**2-1. While Canon supports a general concept of "Three Track System" because the general concept itself satisfies applicant needs that most applicants would like to control examination timing, Canon does not support that the proposal of the USPTO requires, in Tracks I and II, an applicant of a non-USPTO first filed application to submit the additional required documents, and further does not support that Track III is not applied to a non-USPTO first filed application.**

The applicant needs of controlling examination timing are common to applicants of non-USPTO first filed applications. About half (224K

applications) of the new filing applications (456K applications) in 2008 were filed by foreign countries' applicants and most foreign countries' applicants are utilizing non-USPTO first filed applications. Canon believes that the "Three Track System" should be applied to a non-USPTO first filed application without any discrimination as well as a USPTO first filed application, and, even if applying "Three Track System" to a non-USPTO first filed application, it will meet the USPTO goal of entirely reducing the current backlog for examination.

Although Canon believes that the "Three Track System" should be applied to a non-USPTO first filed application without any discrimination, especially at least a first filed PCT application to any PTO other than USPTO, which designates US as a country, should be handled as well as a USPTO first filed application and applied the Three Track System without any discrimination

**2-2. Canon does not support requiring early publication of prioritized applications in Track I.**

Most applicants generally continue further invention activities relating to an invention for which a patent application has been filed in the USPTO and file patent applications on such related inventions. Until a publication of the patent application disclosing the first invention, the applicants safely conduct such further invention activities and file patent applications on them without losing any important opportunity if the first invention is maintained unknown to the public. However, if the application of the first invention would be published shortly after a request for prioritization is granted, the applicants might lose such an important opportunity for safely filing patent applications on related inventions. For this reason, the prioritized examination in Track I is not so beneficial to applicants, and applicants would be discouraged from using the prioritized examination. This will make it difficult for the USPTO to collect additional fees for proceeding prioritized examination with a reasonable fee, which would hamper the USPTO from achieving the goal that the aggregate pendency of non-prioritized applications would not increase due to work being done on the prioritized applications.

### 3. Supplemental Searches

Canon supports the Supplemental Searches because each PTO collaborating with each other for search is important and leads to enhancing the reliability of a patent right. However, duplicate searches by both the USPTO and other intellectual property granting offices (IPGOs) should be avoided.

Very truly yours,

CANON INC.



Kenichi Nagasawa  
Executive Officer  
Group Executive  
Corporate Intellectual Property  
and Legal Headquarters