


EXHIBIT

13-a


The New Patent Rules on Continuation and Claims Practice from the USPTO's Perspective



FY 2006 Quality Results

■ Improving Quality is our Highest Priority

2006 Goal	2006 Result
4% allowance error	3.5% allowance error
86% in process compliance	90% in process compliance

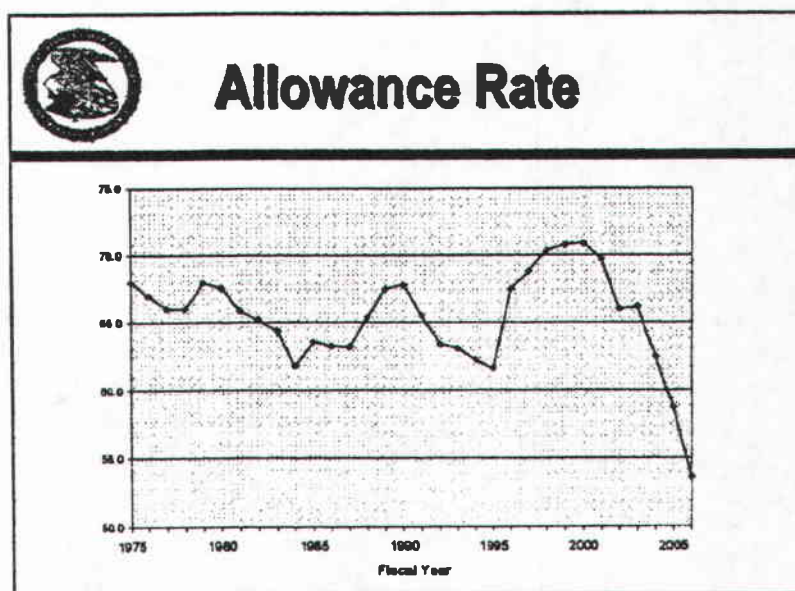
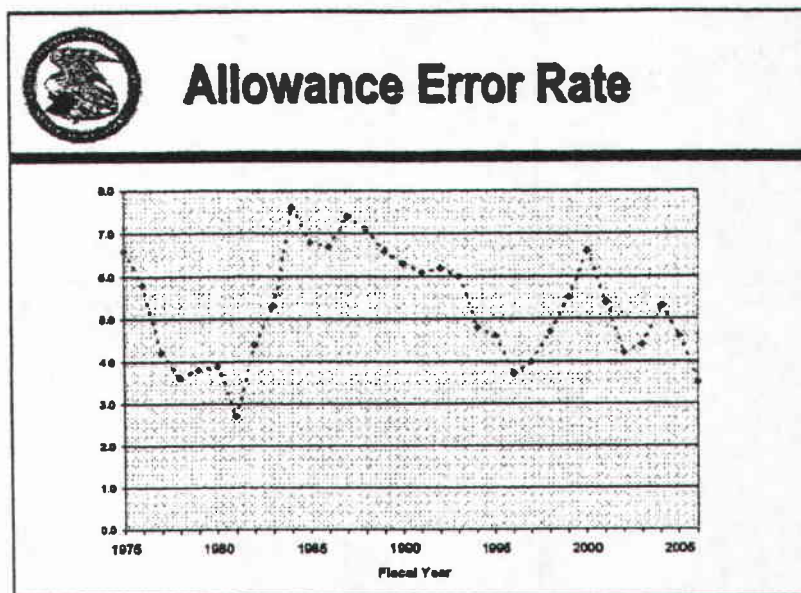


Quality

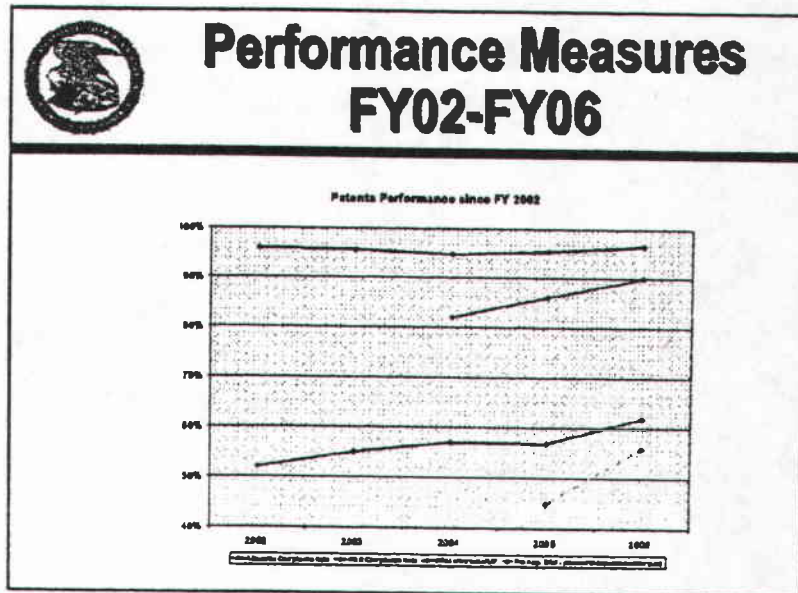
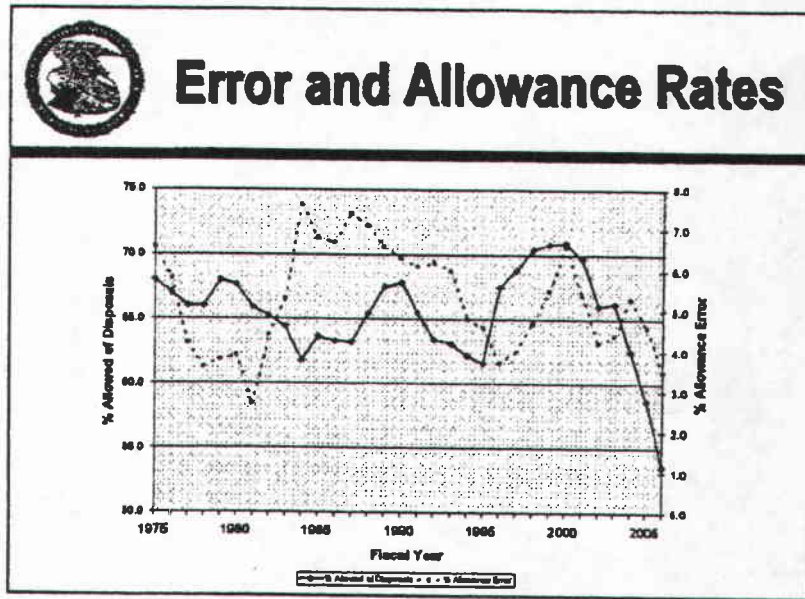
- 2006 goals: <=4% allowance error and >=86% in-process compliance
- 2006 results: 3.5% allowance error and 90.0% in-process compliance
- 2007 goals: <=4% allowance error and >=88% in-process compliance

FY 2006	% allowance error	% compliant in-process examination
Target	4.0%	86.0%
USPTO	3.5%	90.0%
TC 1600 (Biotech)	4.3%	85.5%
TC 1700 (Chemical Eng.)	4.5%	85.5%
TC 2100 (Computers)	2.3%	90.0%
TC 2600 (Communications)	2.3%	90.0%
TC 2800 (Semiconductors)	4.0%	91.1%
TC 3000 (Transport. & Mfg.)	3.0%	92.0%
TC 3700 (Mechanical Eng.)	3.0%	92.0%

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End-of-year statistics

As of September 30, 2006 (including design):

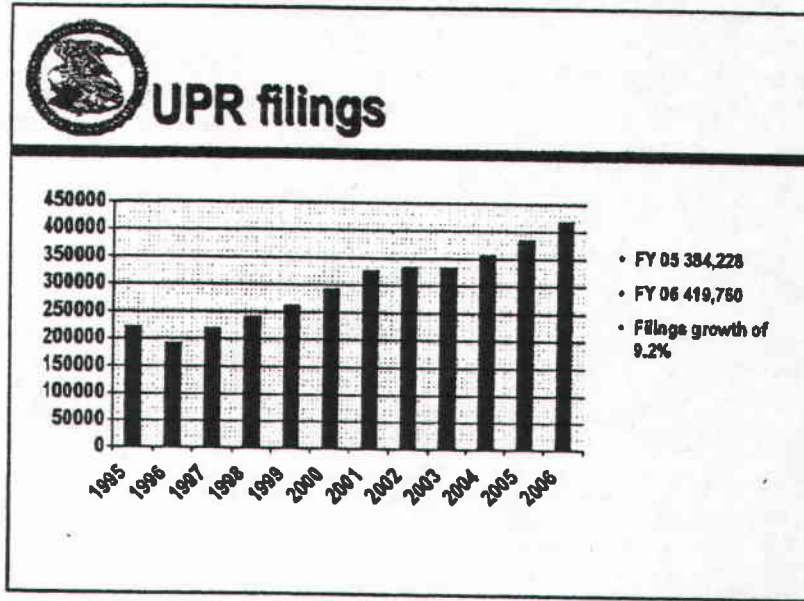
- **701,147 applications awaiting first action by the examiner**
- **4883 patent examiners**
- **397 supervisors**
- **29 patent academy trainers**
- **22 TC directors**



Patent Operations update

- **FY 2006 filings**
- **FY 2006 goals and results**
 - **Quality**
 - **Production**
 - **Pendency**
 - **Hiring and attrition**
 - **Electronic filing**

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UPR Production

- 2006 goal: 348,691 Balanced Dispositions (BDs)
- 2006 results: 351,664 BDs
- 2007 goal: 363,900 BDs

FY 2006	BDs Produced	% of Target
USPTO	351664	100.9%
1691 Biotech	37500	100.9%
1700 Chemical Eng.	48227	100.7%
2100 Computers	38230	100.4%
2500 Communications	46577	100.4%
2800 Electrical, Optics	73170	97.0%
3600 Medical	38270	100.4%
3700 Mechanical Eng.	47619	99.0%


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Patent pendency

Technology Center	Average 1 st Action Pendency (months) ¹	Average Total Pendency (months) ²
1600 - Biotechnology and Organic Chemistry	23.5	34.4
1700 - Chemical and Materials Engineering	22.7	32.1
2100 - Computer Architecture Software and Information Security	30.8	44.0
2800 - Communications	30.4	42.9
2900 - Semiconductor, Electrical, Optical Systems	16.4	25.4
3800 - Transportation, Construction, Electronic Commerce	21.7	28.6
3700 - Mechanical Engineering, Manufacturing and Products	20.2	28.2
UPR Total	22.8	31.1
FY 06 Target	22.0	31.3

¹ "Average 1st action pendency" is the average age from filing to first action for a newly filed application.
² "Average total pendency" is the average age from filing to issue or abandonment of a newly filed application.



Hires and attritions

	1600	1700	2100	2800	2900	3800	3700	Corps
FY 04 EOY Staff	[Redacted]							
FY 05 EOY Staff	[Redacted]							
FY 06 Hiring Goal	75	35	690			100	100	1800*
FY 06 Hiring	98	88	259	228	226	144	152	1193
FY 06 Attrits	53	58	96	84	96	48	78	310
FY 06 EOY Staff	[Redacted]							
FY06 Hires as percent of FY 05 EOY Staff	19%	18%	35%	29%	25%	30%	28%	27%

Staff includes Examiners, SPEs and academy trainers.
 *As originally planned. Hiring target raised to 1200 during FY 2006.

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Electronic filing

New EFS-Web system launched March 2006

- **allows PDF-based submissions**
- **replaced XML-based system**

2005 result: 2.2% of applications filed electronically

2006 goal: 10% of applications filed electronically

2006 result: 14.1% of applications filed electronically

FY 2007 results to date: almost 50% of applications filed weekly are received through EFS-Web



STRATEGIC PLANNING AND THE FUTURE OF THE USPTO

<http://www.uspto.gov/web/offices/com/strat2007/>

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Improving Quality

- **Quality improvement Initiatives include:**
 - **Improving Search Quality**
 - **Additional Examiner Resources for Search**
 - **Peer Review Pilot**
 - **Third Party Submission / Comment**
 - **Develop Quality Metrics**
 - **Seeking Input from Public**
 - **External Validation**
 - **Quasi-Governmental, Attorneys on Sabbatical, or an Independent Search Firm**



Notice of Proposed Rules Changes

- **Claims**
- **Continuing Applications**
- **Information Disclosure Statements**

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Policy/Practice Initiatives

- **Alternative Examination Products**
 - **Patentee / Trade Organization / User Input**
 - **Wants and Needs for IP Protection**
 - Different Levels of Examination / Protection
 - Deferred Examination
 - Peer Review
 - Collaborative Examination
- **Markush / Generic Claims**
 - **Notice of Proposed Rule Making**
 - **Input on Potential Solutions**



Patent eGovernment - Future

- **eOffice Action Pilot**
- **Electronic Signatures for Patent Corps**

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Employees - Location of Work

- **Developing a Nationwide Workforce**
 - **Regional**
 - **Local**

- **Hoteling**
 - **Over 500 Patent Examiners currently participate in Patent Hoteling Program (PHP)**
 - **Goal for FY 2007 – add 500 examiners**



Outsourcing

- **Reclassification**
- **PCT Outsourcing Search Pilot**
- **Pre-Grant Publications - Classification**

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Patent Prosecution Highway – Pilot Program

- Pilot program commenced on July 3, 2006 for a period of 1 year; period may be extended for up to one additional year
- USPTO has received approximately 25 requests; JPO approximately 80 requests



Contact Information

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