

EXHIBIT 16

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EO 12866 Regulatory Review	Advanced Search	Historical Reports	Review Counts	Letters	XMI Reports
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OIRA Conclusion of EO 12866 Regulatory Review

IN: 0651-AB94

Received Date: 07/15/2005

Title: Changes to Practice for the Examination of Claims in Patent Applications

Agency/Subagency: DOC / PTO

Stage: Proposed Rule

Concluded Action: Consistent with Change

Concluded Date: 10/11/2005

Legal Deadline: None

Economically Significant: No

Publication Date: 01/03/2006

Unfunded Mandates: No

Major: No

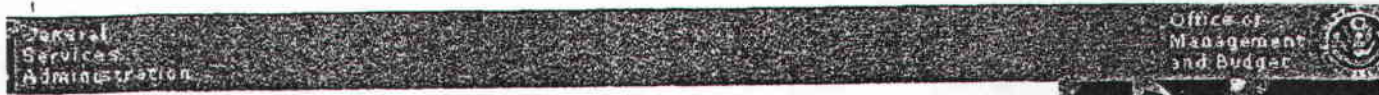
Related To Homeland Security: No

Regulatory Flexibility Analysis Required: No

Small Entities Affected: No

Federalism Implications: No

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View Rule

RIN: 0651-AB94

Agenda Cycle: 200604

Title: Changes to Practice for the Examination of Claims in Patent Applications

Abstract: A small but significant minority of applications contain an excessive number of claims, which makes effective examination of such applications problematic. The U.S. Patent and Trademark Office (Office) revises the rules of practice to share the burden of examining applications containing an excessive number of claims. Specifically, the Office amends the rules to provide that if an application contains more than ten independent claims, the applicant must provide a patentability report that covers all of the independent claims in the application. In addition, the Office amends the rules to provide that the Office will give a separate examination only to those dependent claims expressly elected for separate examination, and that the applicant must provide a patentability report that covers all of the independent claims and elected dependent claims in the application if the number of independent claims plus the number of dependent claims elected for examination is greater than ten. The changes would allow the Office to apply the patent examining resources currently absorbed by applications that contain an excessive number of claims to the examination of new applications, and thus allow the Office to reduce the backlog of unexamined applications. This would mean faster more effective examination for the typical applicant without any additional work on the applicant's part, but a small minority of applicants who consume a disproportionate share of agency resources will be required to share the burden they place on the agency.

Agency: Department of Commerce(DOC)

Priority: Other Significant

Major: No

Unfunded Mandates: No

CFR Citation: 37 CFR Part 1 (To search for a specific CFR, visit the [Code of Federal Regulations](#).)

Legal Authority: 35 USC 2(b)(2)

Legal Deadline:

Action	Source	Date
None	None	

Timetable:

Action	Date	FR Cite
NPRM	01/03/2006	71 FR 61
NPRM Comment Period End	05/03/2006	

Additional Information:

Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

Small Entities Affected:

Federalism: No

Energy Effects: No

RIN Information URL:

Public Comment URL:

Public Compliance Cost:

Sectors Affected:

Related RINs:

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AGENCY: DOC-PTO

RIN: 0651-AB94

TITLE: Changes to Practice for the Examination of Claims in Patent Applications

TAGE: Proposed Rule

ECONOMICALLY SIGNIFICANT: No

RECEIVED DATE: 07/15/2005

LEGAL DEADLINE: None

COMPLETED: 09/11/2005

COMPLETED ACTION: Consistent with Change

PUBLICATION DATE: 01/03/2006

CONFIDENTIAL

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Relevant data:

Of the 607,347 backfile applications for which claims data is available, 304,365 (50.1%) have 3 or fewer independent claims and 20 or fewer total claims, and 302,982 (49.9%) have more than 3 independent claims or more than 20 total claims. Thus, it appears that 324,350 (49.9% of 650,000) applicants would be affected by a requirement (in an application containing more than 3 independent claims or more than 20 total claims) to select which dependent claims (if any) are representative claims.

Costs to applicants: It is estimated that a reply to a notice to designate which dependent claims (if any) are representative claims will on average take 1 hour of attorney time at \$286/hour. Thus, the total cost to all patent applicants to select which dependent claims (if any) are representative claims would be \$92,764,100 (324,350 hours at \$286/hour).

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Relevant data:

Of the 607,347 backfile applications for which claims data is available, 475,627 (78.3%) have 6 or fewer independent claims and 30 or fewer total claims, and 131,720 (21.7%) have more than 6 independent claims or more than 30 total claims. Thus, it appears that 140,970 (21.7% of 650,000) applicants would be affected by a requirement (in an application containing more than 6 independent claims or more than 30 total claims) to select which dependent claims (if any) are representative claims.

Costs to applicants: It is estimated that a reply to a notice to designate which dependent claims (if any) are representative claims will on average take 1 hour of attorney time at \$286/hour. Thus, the total cost to all patent applicants to select which dependent claims (if any) are representative claims would be \$40,317,420 (140,970 hours at \$286/hour).

Comparison Chart

	10 Representative Claims	3/20 Representative Claims	5/30 Representative Claims
# of Claims	Independent: 1-10 Total: 1-10	Independent: 1-3 Total: 1-20	Independent: 1-6 Total: 1-30
% of Applicants Required to Select	82.1%	49.9%	21.7%
Costs to Applicants	\$158.3 M	\$92.8 M	\$40.3 M