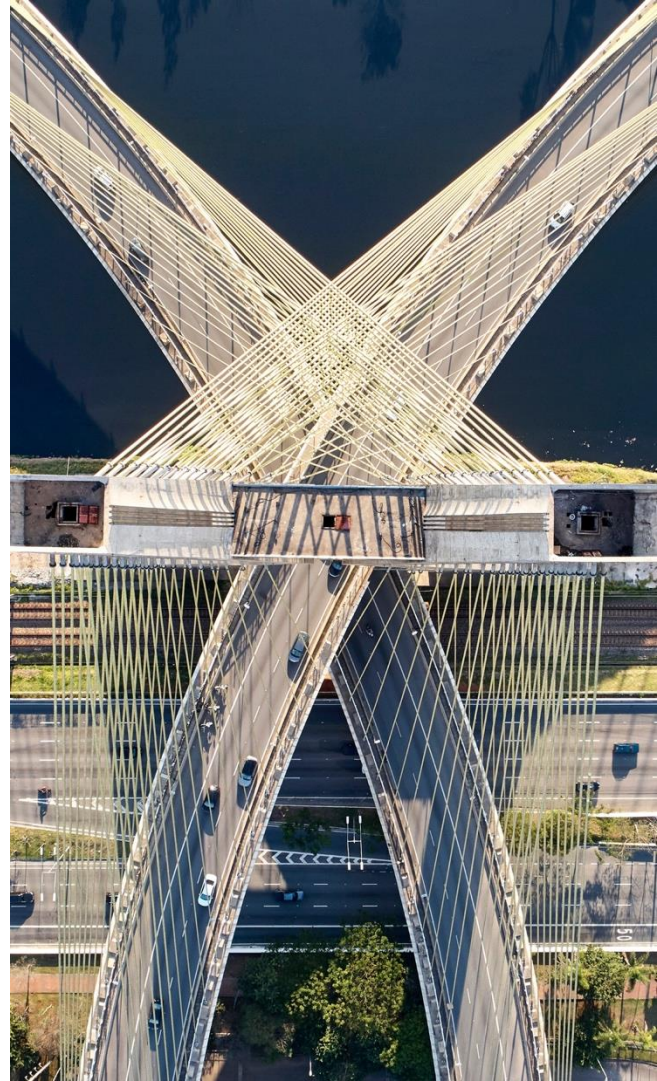


Measuring USPTO Prosecution Outcomes

Is your US patent counsel doing a good job?





Megan McLoughlin

*Product Director for PatentAdvisor
at LexisNexis IP Solutions*

The industry is changing.



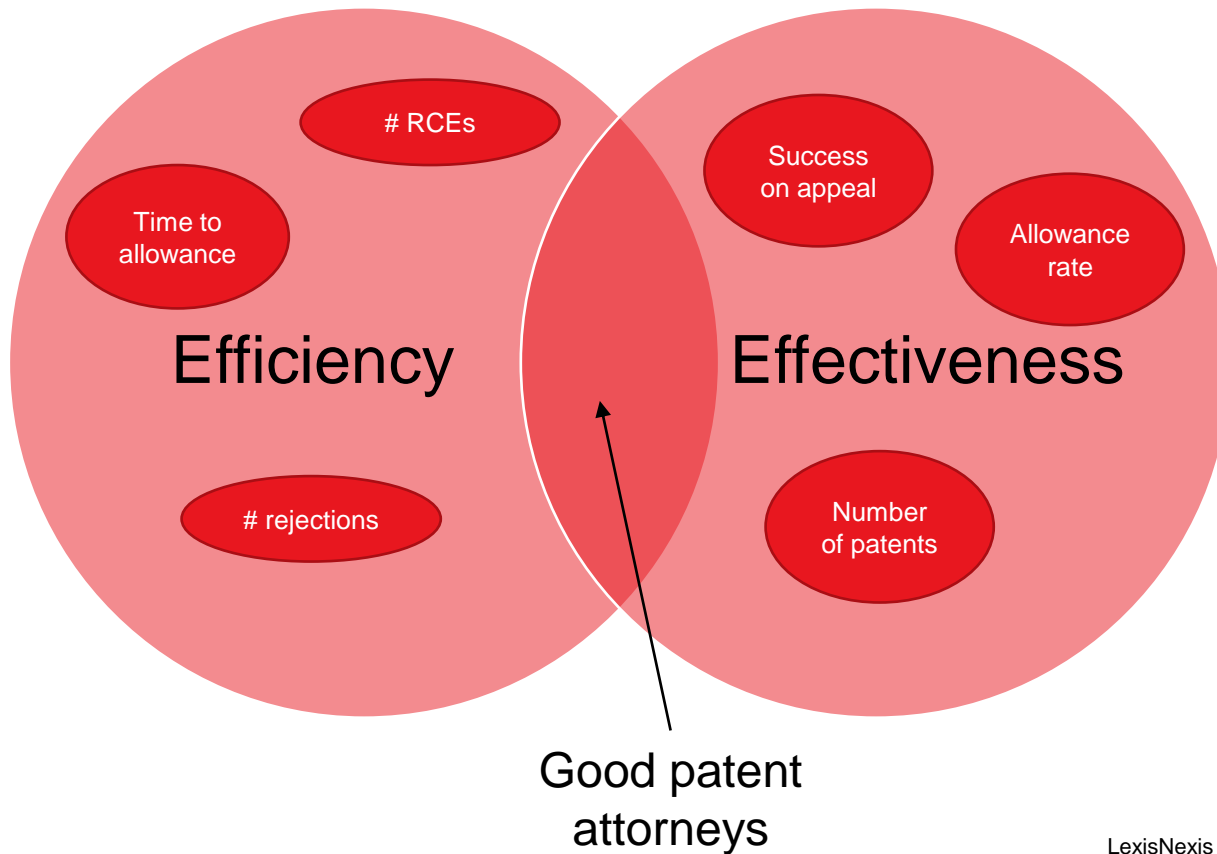
Today we will discuss

- 2 principles for evaluating US counsel
- 5 metrics for evaluating US counsel

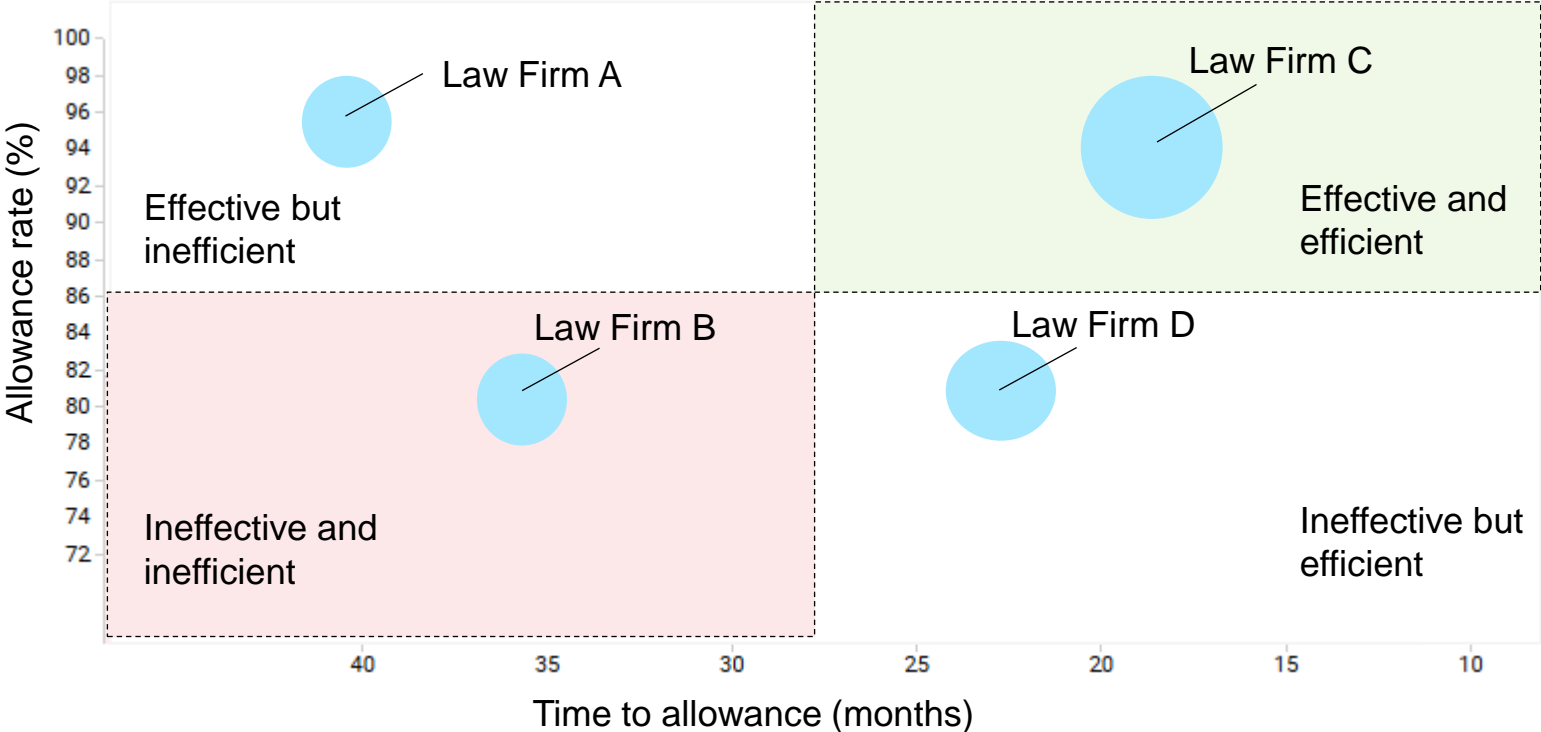
Today we will discuss

- **2 principles for evaluating US counsel**
 - Consider efficiency AND effectiveness
 - Consider examiner variability
- 5 metrics for evaluating US counsel

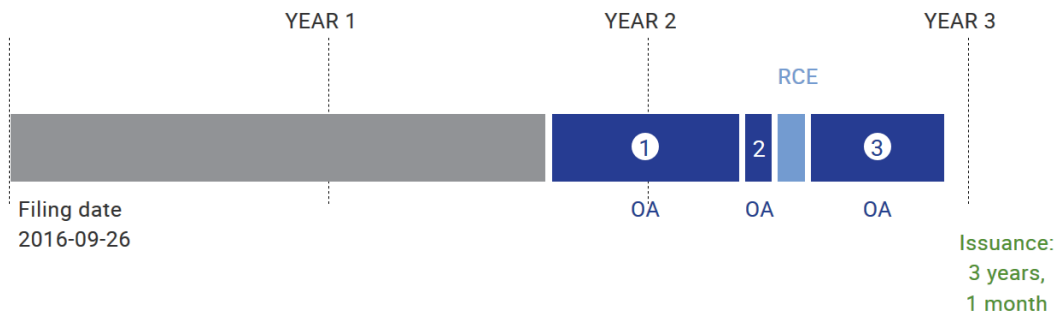
Principle #1: Good attorneys are effective and efficient





Watch out for firms that get a lot of patents, but at great cost

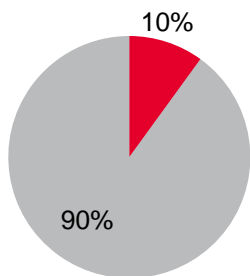


Principle #2: Good measurements account for examiner variability



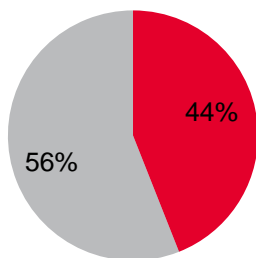
	Examiner A	Examiner B
Allowance rate	80%	20%
Average OA to allowance	1.5	3.2
Good result?		

Examiner variability is a principal driver of outcome differences at the USPTO



Examiners

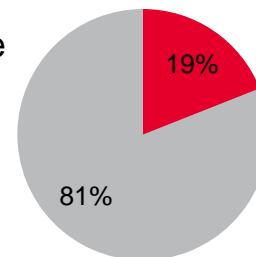
About **10 %** of the entire examiner pool accounts for close to **HALF of ALL** patents granted.



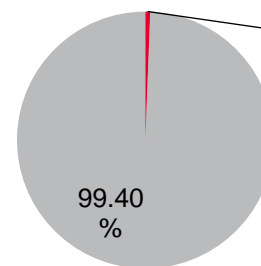
Patents

>50 patents/year

About **20 %** of the entire examiner pool accounts for **ONLY 0.6%** patents granted.



Examiners



Patents

<5 patents/year

Poll:

Which technology space do you think has the highest percentage of difficult/slow examiners?

- a) Biotechnology and organic chemistry
- b) Computer architecture and software
- c) Semiconductors and optical systems
- d) Transportation, construction, & electronic commerce

There are different types of examiners in every technology area at the USPTO

1600: Biotechnology and Organic Chemistry



ETA 0 - 2.5

2100: Computer Architecture and Software



ETA 2.6 - 6

2800: Semiconductors, Electrical and Optical Systems and Components

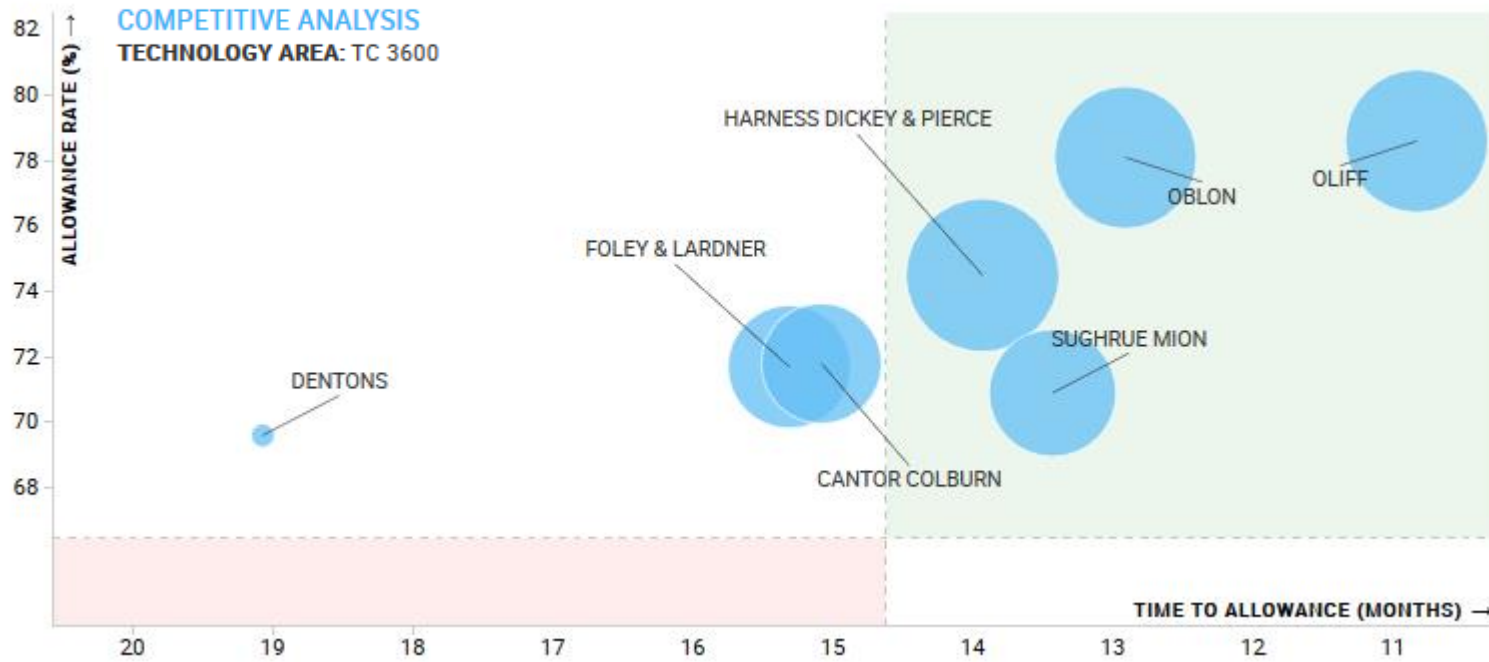


ETA 6+

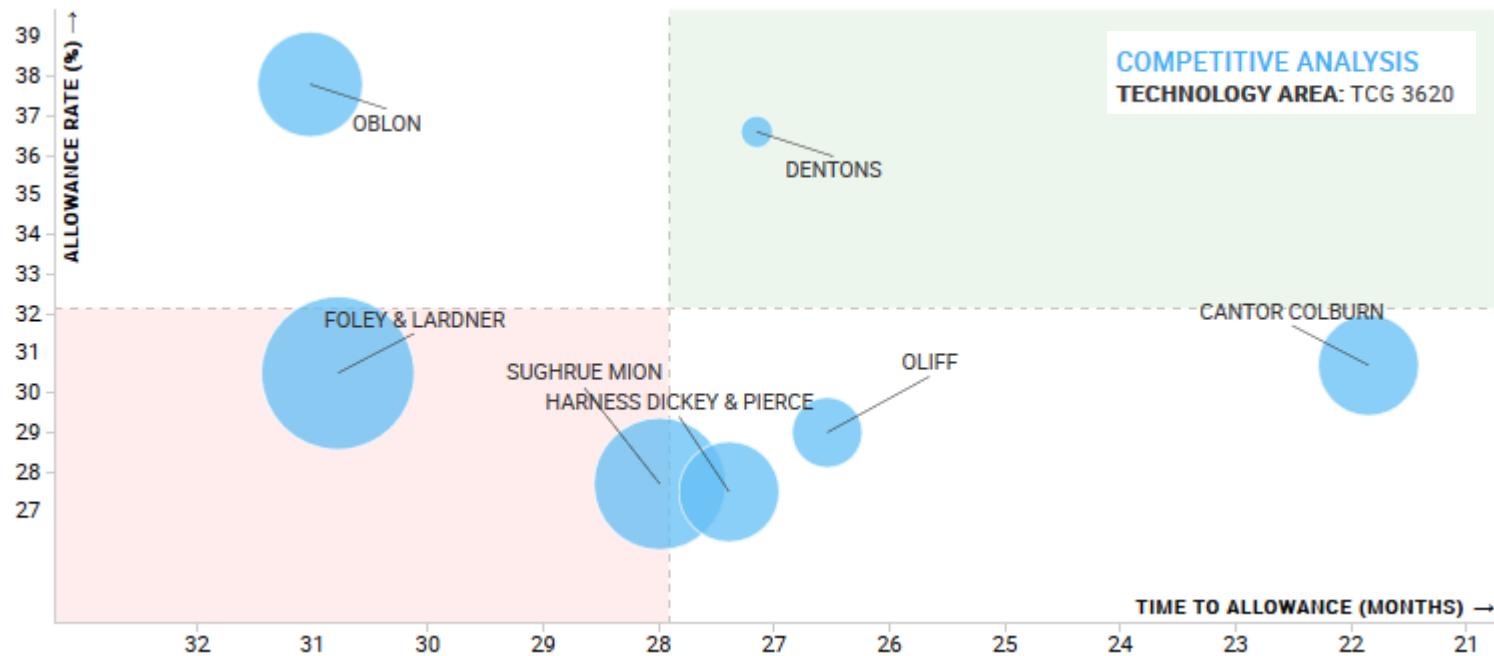
3600: Transportation, Construction, Electronic Commerce, Agriculture, . . .



Limit comparisons as much as possible



Limit comparisons as much as possible



Today we will discuss

- 2 principles for evaluating US counsel
 - Consider efficiency AND effectiveness
 - Consider examiner variability
 - **5 metrics for evaluating US counsel**
 - Allowance rate
 - Good use of USPTO strategy options
 - Technology area assignments
 - Avoidance of unnecessary costs
 - PatentAdvisor Efficiency Score
-
- The diagram consists of red brackets on the right side of the slide. One bracket groups the first three metrics: 'Allowance rate', 'Good use of USPTO strategy options', and 'Technology area assignments'. This bracket is labeled 'Effectiveness'. A second bracket groups the remaining two metrics: 'Avoidance of unnecessary costs' and 'PatentAdvisor Efficiency Score'. This bracket is labeled 'Efficiency'.

Measuring Effectiveness: Allowance Rate





Use this metric
with caution.

What is allowance rate?

$$\frac{\text{Patents}}{\text{Patents} + \text{Abandonments}}$$

OR

$$\frac{\text{Patents before 1}^{\text{st}} \text{ RCE}}{\text{Patents} + \text{Abandonments}}$$

-  Penalizes for abandonment
-  Lagging indicator
-  Doesn't account for efficiency
-  Requires a large number of applications

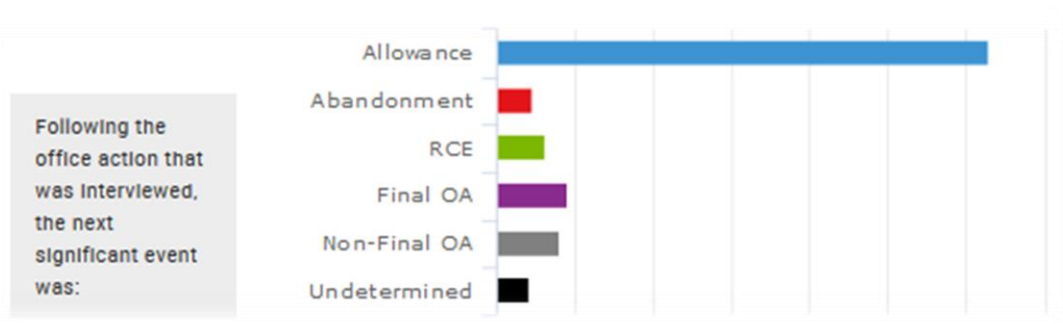
Measuring Effectiveness: Good use of USPTO strategy options

Program performance to measure:

- Appeal
- Interview
- AFCP 2.0
- Track One

Metrics to consider:

1) Immediate outcome



2) Ultimate outcome

ALLOWANCE RATE

78.5%

vs.

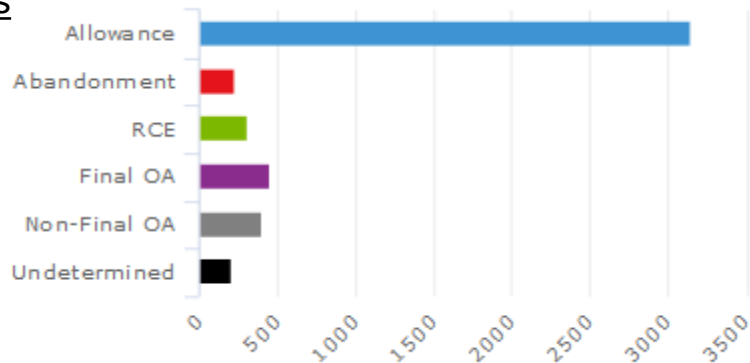
ALLOWANCE RATE

56.7%

Measuring Effectiveness: Good use of USPTO strategy options

Interview Statistics

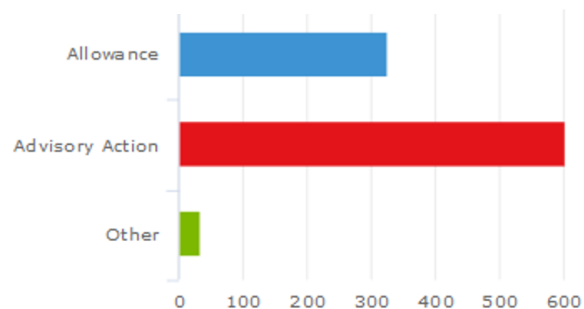
Following the office action that was interviewed, the next significant event was:



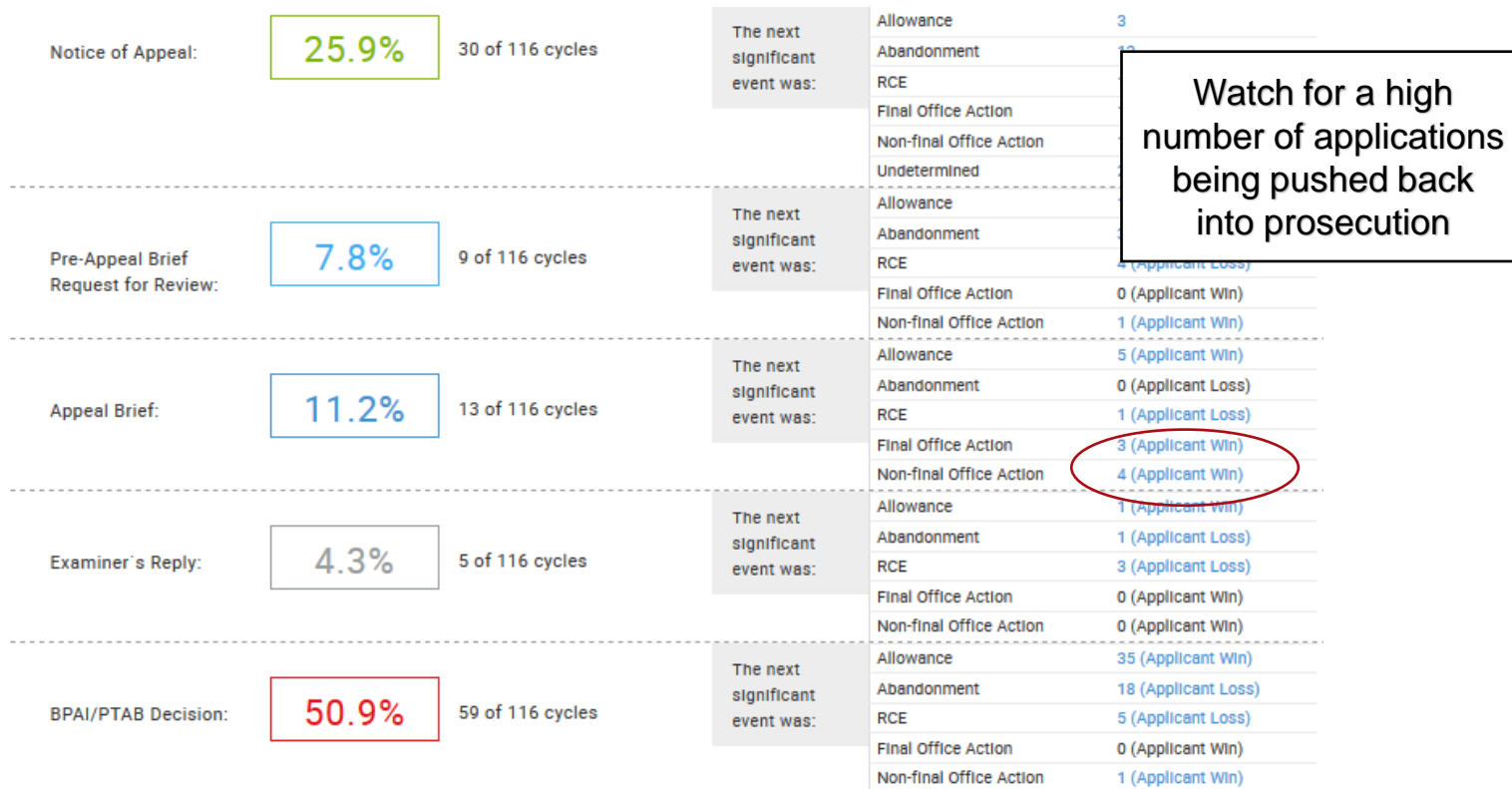
For interview, appeal, and AFCP statistics, focus on immediate outcome.

AFCP Statistics

Following the AFCP request, the Next Significant Event Was:



Measuring Effectiveness: Good use of USPTO strategy options



Measuring Effectiveness: Good use of USPTO strategy options

Technology Center 1600: Overall

ALLOWANCE RATE

56.7%

AVERAGE Number of Office Actions between Filing Date and Patent Issuance (Including both Non-Final and Final)

1.7

OFFICE ACTIONS

2 years, 10 months, 16 days

FILING DATE

FIRST OA

Technology Center 1600: Track One

ALLOWANCE RATE

78.5%

AVERAGE Number of Office Actions between Filing Date and Patent Issuance (Including both Non-Final and Final)

1.5

OFFICE ACTIONS

1 year, 5 months, 7 days

FILING DATE

FIRST OA

ISSUANCE

Track One applications have a higher allowance rate

Measuring Efficiency & Effectiveness: Avoiding difficult technology spaces

ART UNITS ^

Search:

1 - 10 OF 430

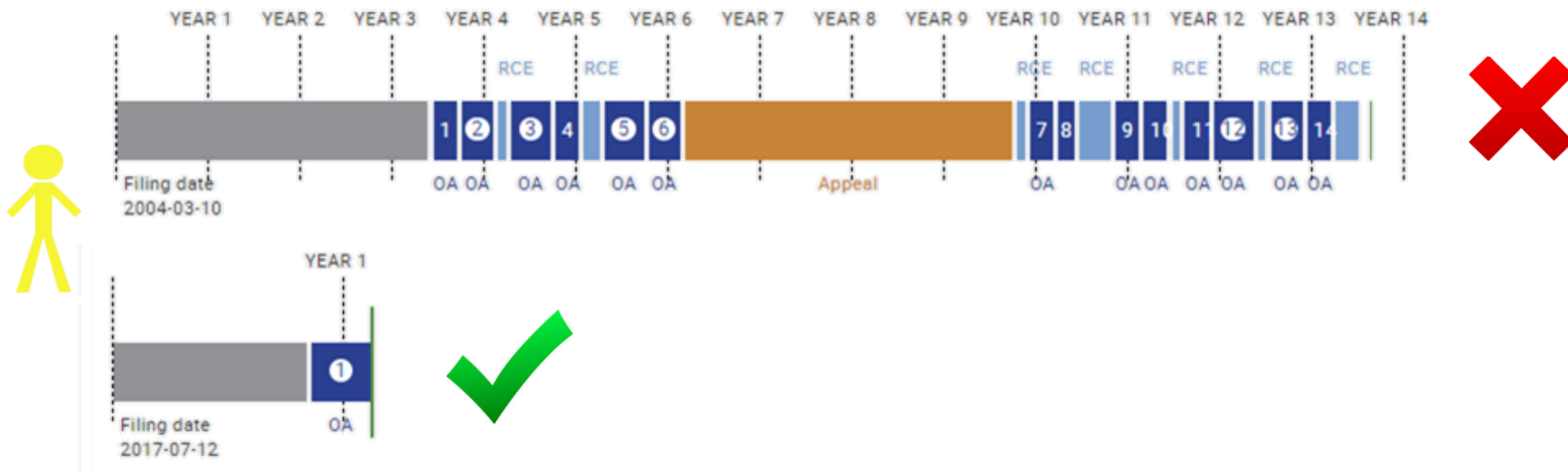
Art unit	APPs	Average # OAs	Allowance rate	≥ 1 RCE	Appeal filed	1 st OA to Issue	
2129	307	1.5	80.5% (6602 / 8206)	26.9%	5.3%	1 Y, 1 M	Filter
2122	294	1.7	71.2% (2757 / 3873)	32%	5.6%	1 Y, 2 M	Filter
2123	216	2.1	66.3% (4133 / 6230)	37.3%	7.7%	1 Y, 5 M	Filter
2121	213	1.8	72% (6436 / 8938)	29.6%	5.3%	1 Y, 3 M	Filter
1631	211	2.7	37.9% (3619 / 9549)	44.2%	13.9%	2 Y, 6 M	Filter
2128	191	2.1	65.5% (4484 / 6844)	37.1%	8.3%	1 Y, 7 M	Filter
3664	145	1.7	77.6% (7381 / 9512)	27.5%	5.3%	1 Y, 2 M	Filter
3661	137	1.2	85.7% (15406 / 17977)	12.5%	2.5%	0 Y, 10 M	Filter
2127	116	1.8	76.5% (3629 / 4745)	34.5%	6.1%	1 Y, 2 M	Filter
3663	104	1.6	77.7% (10282 / 13240)	25.7%	6%	1 Y, 2 M	Filter

3620, 3680, 3690:
 most difficult groups at
 the USPTO since *Alice*
v. CLS Bank

Measuring Efficiency: PatentAdvisor Efficiency Score™

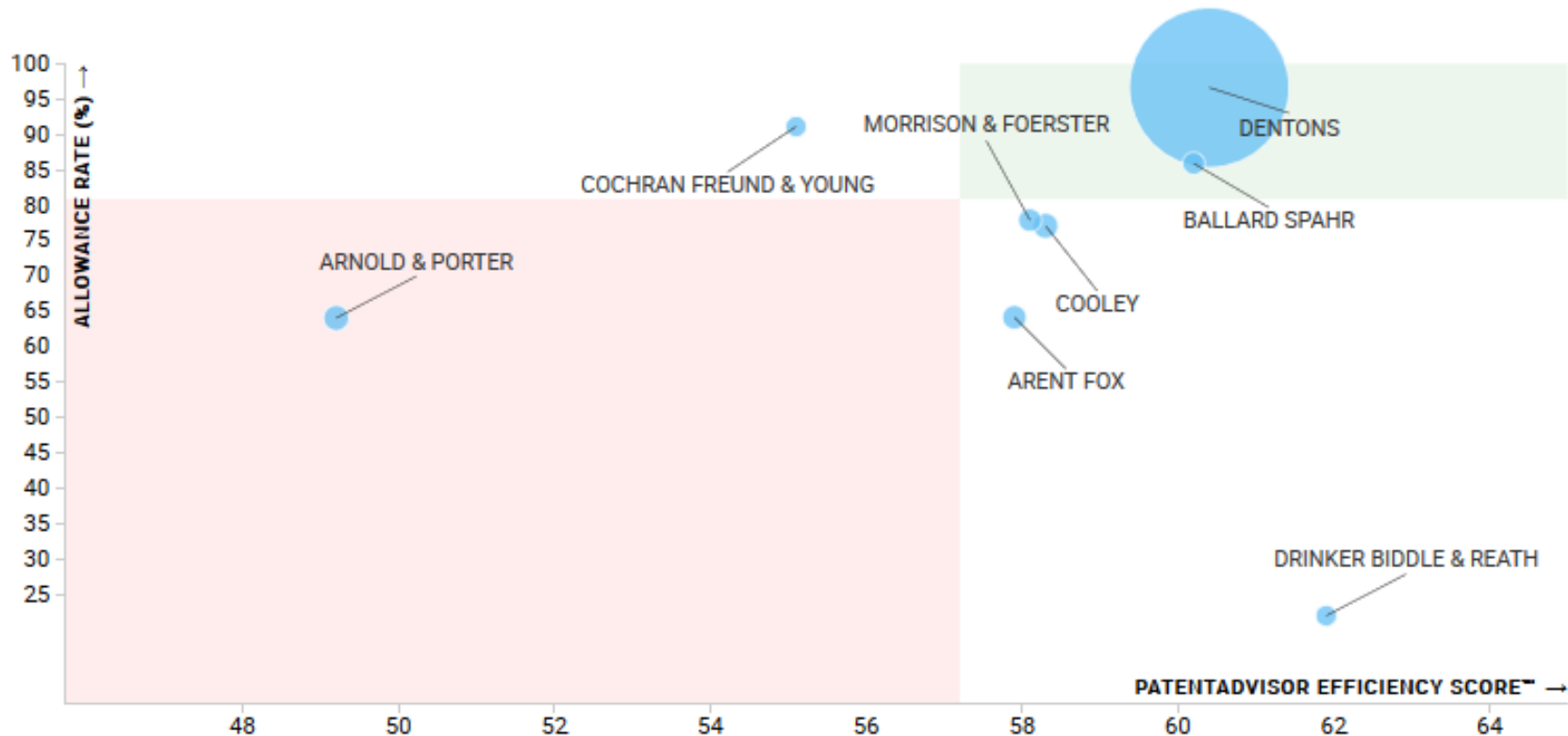
- Normalized for examiner difficulty
- Normalized for # of applications
- No direct penalty for abandonments

Every patented and abandoned application is scored for efficiency, based on “par” for the assigned examiner.



Measuring Efficiency: PatentAdvisor Efficiency Score™

Example



Measuring Efficiency: PatentAdvisor Efficiency Score™

Excellent attorneys get good results even from difficult (“red”) examiners.

The Efficiency Score is broken down by examiner type

Name	Overall score	Score with red examiners	Score with yellow examiners	Score with green examiners
Law Firm 1	20.8	17.9	18.9	36.7
Law Firm 2	45.1	39.1	44.9	49.4
Law Firm 3	54.7	64	54	48
Law Firm 4	62.4	85	62.6	56.3
Law Firm 5	63.2	80	57.8	56.3
CHALKER FLORES	53.6	45	53.4	59

Measuring Efficiency: Avoiding unnecessary fees

- Extension fees for late responses
- Failure to file IDS before first office action
- IDS after allowance
- Avoidable 112 (formalities) errors

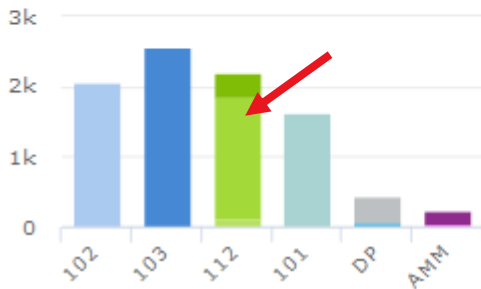
Set monitors to identify these issues early

REJECTION SPECIFIC STATISTICS ^

Based on Automated Classification of Office Actions Rejections

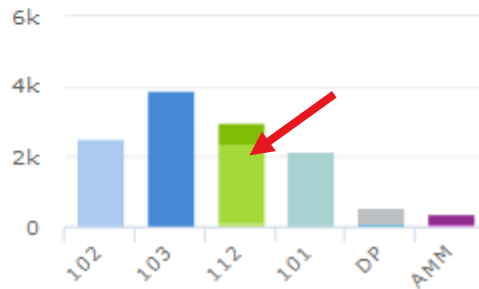
First Office Action Rejection Frequency

(4026 First Office Actions Analyzed)



Non-final Office Action Rejection Frequency

(5781 Non-Final Office Actions Analyzed)



Poll:

Do you look at objective claim metrics (# words per claim, # of claims) for your law firms?

- a) Yes
- b) No
- c) Sometimes
- d) Don't know

Measuring Effectiveness: The literature on claim statistics is divided

“Claims are cluttered with vast amounts of language that have little to do with the invention.”¹

The length of the first claim is proportional to scope.³

Patent claim length hasn't changed significantly over 50 years.²

Extremely short (<300 characters) independent claims are rarely issued.⁴

1. Janet Freilich, Patent Clutter, 103 Iowa L. Rev. 925 (2018).
2. Kristen Osenga, The Shape of Things to Come: What We Can Learn from Patent Claim Length, 28 Santa Clara Computer & High Tech L.J. 617 (2012).
3. Kuhn & Thompson, The Ways We've been Measuring Patent Scope are Wrong: How to Measure and Draw Causal Inferences with Patent Scope, available at <file:///C:/Users/MMCLOU~1/AppData/Local/Temp/5/The-Ways-Weve-Been-Measuring-Patent-Scope-Are-Wrong-How-to-Measure-and-Draw-Causal-Inferences-with-Patent-Scope.pdf>
4. Eric Sutton, Pursuit of Extremely Short Patent Claims, IPWatchDog (2016), available at: <https://www.ipwatchdog.com/2016/05/17/pursuit-extremely-short-patent-claims/id=69205/>.

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-
- The diagram uses red brackets to group the five metrics under two categories:
- Effectiveness:** This category includes the first three metrics: Allowance rate, Good use of USPTO strategy options, and Technology area assignments.
 - Efficiency:** This category includes the last two metrics: Avoidance of unnecessary costs and PatentAdvisor Efficiency Score.

Thank you

William Mansfield

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