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From: Terry Callaghan

Sent: Friday, September 08, 2006 10:35 PM

To: AB95 Comments

Subject: PTO Comment Letter 09-2006

Please consider the attached comments.

Best regards,

Terry S. Callaghan

September 8, 2006

Mr. Hiram H. Bernstein
Mail Stop Comments - Patents
Commissioner for Patents
Post Office Box 1450
Alexandria, Virginia 22202-3513

Re: Comments on Proposed Changes to Information Disclosure Statement Requirements and Other Related Matters

Dear Mr. Bernstein:

I would be pleased if you would consider these comments when contemplating whether to adopt the proposed rules. I wish to point out that these views do not necessarily represent the views of my firm or my clients.

I am a former patent examiner and keep in touch with many of my former colleagues, and thus I believe I have the perspective of not only having to consider references submitted by applicants, but also being on the side of having to submit all these documents to the United States Patent and Trademark Office.

I. Fundamental Issues

Before getting into the specifics of the proposed rules, there are a few fundamental issues that the United States Patent and Trademark Office should consider relative to its proposed rules.

A. What Does the PTO Mean By “Consideration” of a Reference?

First, the United States Patent and Trademark Office should issue guidelines as to what it means for a reference to be “considered” by an examiner. My experience is that examiners give the same level of consideration to references submitted by applicants that they give any patent in a relevant subclass. During my time as an examiner (1987 to 1990), examiners primarily searched through the shoes. We would flip through the patents in the shoes and pull only the more relevant patents from the shoes for

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citing to the applicants. The relevant patents were listed on a PTO Form 892 then printed on the face of the patent along with all the references that were submitted by the applicants.

As an examiner, I would flip through the references submitted by applicants in the same manner in which I would flip through the patents and other patent literature in the shoes. Primarily, I would quickly flip through the references to identify which references appeared to be somewhat relevant on their face, and then perform an additional, slightly more detailed review to determine whether reading of the entire patent was warranted. Thus, I was always a bit baffled as to why patents submitted by applicants were elevated to the status of having been “considered” to the same level to which the more pertinent references that were pulled from the shoes were “considered.” In other words, many of the references submitted by applicants were no more relevant than the patents the examiners typically would leave in the shoes as not being particularly relevant, and yet all of the patents in a particular subclass were not listed on the face of the patent despite the fact that they were considered to the same extent as many of the references submitted by the applicants. This, of course, was significant in the past insofar as one could not request reexamination with respect to any prior art that was listed on the face of the patent. Obviously, that has now changed insofar as reexaminations may be requested with respect to any patents except those specifically used to reject the claims.

Of course, one of the reasons that applicants typically would submit a lot of prior art was to ensure that references were considered given the fact that at any time, a fair number of the patents within a subclass may have been pulled by another examiner with respect to another application. This lack of file integrity, however, is no longer a concern with all of the United States patents being solely electronically searchable.

Based on my discussions with current examiners, it is my understanding that the references submitted by applicants are given no more consideration than any other prior art document through which the examiners typically search. As an example, if an examiner merely enters key words without limiting the search to class or subclass, the examiner is effectively searching and “considering” every single issued United States patent. The number of issued United States patents currently exceeds 7 million patents, which begs the question of why the United States Patent and Trademark Office is concerned with applicants submitting more than 20 references. With a text search, the examiner is excluding those references which do not include the text and thus “considering” those patents as not being relevant for their lack of including those search terms. Likewise, the examiner is “considering” all of the patents as being of some relevance that include those search terms. Various additional levels of “consideration” are then given to the prior art that is uncovered to narrow the number of prior art patents to be cited on the face of the patent and/or used to reject the claims.

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Because United States patents are presumed valid and generally enjoy a stronger presumption of validity with respect to those prior art documents listed on the face of the patent, it is of everyone's interest that the United States Patent and Trademark Office issue guidelines as to the extent of consideration that is actually given to those documents listed on the face of the patent. This naturally implies that not every prior art document submitted by applicants should necessarily be listed on the face of a patent. As I will further explain below, I would suggest the United States Patent and Trademark Office consider an alternative proposed rulemaking package in which they will perhaps only list on the face of the patent the prior art documents that are most relevant or even those that are actually applied in a rejection.

B. The PTO's Duty to Issue Valid Patents

A second threshold that the United States Patent and Trademark Office should address is why it believes it can or should deny "consideration" of a reference submitted by the applicants for failure to comply with the applicable rules. It is clearly the United States Patent and Trademark Office's mission to issue valid patents. The proposed rules, along with the existing rules, are contrary to the United States Patent and Trademark Office's mission insofar as the examiners are instructed to not consider references that do not comply with the applicable rules and thus apparently to issue patents despite the fact that the non-considered prior art may render some of the claims invalid. I would hope, and certainly presume, that an examiner would cite any such pertinent references on their own and ensure that the patents that are issuing are valid despite applicants' noncompliance with the rules. Nevertheless, the rules send the wrong message to the examining core and to the public that the examiners will turn a blind eye as to pertinent prior art contrary to the purpose of issuing valid patents.

C. Other Ways of Complying with Rule 56

Another threshold issue the United States Patent and Trademark Office should address is whether one can comply with the duty of disclosure under Rule 56 by submitting noncompliant Information Disclosure Statements that, for example, might cite more than 20 prior art references in violation of the currently proposed rules. Certainly, applicants doing so would not have intentionally hidden or failed to disclose references that he or she believes are pertinent. Likewise, if applicants cite a number of patents or other prior art in their specification, there certainly would be an argument that they have complied with Rule 56 despite the fact that they have not submitted the references in compliance with Rules 97 and 98. I know that there is great concern that by limiting the number of prior art documents that may be submitted, the applicants will be faced with a tough decision of selecting which prior art references to submit when such decisions will be under strict scrutiny in the courts, which have been tending to more frequently find violations of Rule 56. Obviously, if courts ease their interpretation of Rule 56, this would help to bring the courts in line with the United States Patent and Trademark Office's view. Presently,

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however, the courts are pulling in the opposite direction of where the United States Patent and Trademark Office is pulling applicants, making applicants feel like a rope in a tug of war. Thus, the United States Patent and Trademark Office could help alleviate some of these concerns by issuing a statement of some sorts that the United States Patent and Trademark Office will consider applicants to have complied with Rule 56 despite not necessarily complying with Rules 97 and 98 so long as the prior art documents are properly identified and disclosed to the United States Patent and Trademark Office. Perhaps the United States Patent and Trademark Office will want to limit this to United States patents, which are readily retrievable while requiring applicants to submit copies of any non-patent literature and/or any foreign patents.

D. Storage of Large Number of References Need Not be a Concern

In the past, the United States Patent and Trademark Office has suggested that one reason to limit the number of references that are submitted is because of the large amount of space required to maintain copies of the references submitted, which have apparently, in some instances, exceeded 500 references. Recently, however, the United States Patent and Trademark Office has enabled applicants to file Information Disclosure Statements electronically. Such Information Disclosure Statements may be filed using a scanned Form 1449 or using the PDF fillable form, which allows the United States patent numbers and other information to be extracted directly into the United States Patent and Trademark Office's database. Electronic copies of the United States patent documents are not required insofar as it is apparently easy for these documents to be retrieved from the United States Patent and Trademark Office's electronic system. Thus, in instances where the large number of prior art documents that are submitted are United States patent documents, the physical storage requirements may be eliminated by requiring electronic filing of Information Disclosure Statements citing more than 20 documents, and the memory requirements are also minimized if the need to submit copies is limited to foreign and non-patent literature documents. The United States Patent and Trademark Office may also wish to consider whether it is necessary to disclose United States patent documents in light of the electronic filing system's elimination of the search file integrity issues of the past. In other words, the prior art submitted by applicants is given no more consideration than any other United States patent document through which the examiner is automatically searching electronically using key words, class and subclass. In other words, with respect to United States patent documents, applicants are submitting documents that the examiner has already considered using the same criteria for consideration. The only reason applicants may still wish to submit United States patents is to obviously ensure compliance with Rule 56 (but see above comments) and to attempt to ensure "consideration" of a reference that may not be properly classified or that may use unconventional terms to the exclusion of more conventional terms. Otherwise, applicants should have the quality assurance that a patent examiner will be able to locate and identify the most pertinent United States patent documents.

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E. The Burden on The Examiners is Exaggerated

To the extent that the United States Patent and Trademark Office believes that the submission of numerous prior art documents by applicants unduly adds to the searching burden of an examiner, it may wish to consider the following technological solution. Again, with respect to at least United States patent documents, the examiner is already searching all the relevant United States patents and narrowing down the list of relevant patents based upon classification and search terms. Since the whole universe of patents that the examiner begins with necessarily includes all the United States patent documents applicants could possibly submit, *there is no additional searching required for U.S. patent documents submitted by an applicant. The burden imposed is not a result of the citing of numerous references but rather the inability of the PTO's search system to merge the review of the U.S. patent documents.*

The United States Patent and Trademark Office could simply implement technology that caused the hits that the examiner gets in his search to be highlighted if they were also identified in an Information Disclosure Statement filed by the applicants. Thus, there is no separate search of the art submitted by the applicants, but rather the examiner would merely conduct a search as normal only to have the documents submitted by the applicants to be highlighted so as to perhaps highlight their potential relevance. I believe that this approach should be readily technologically feasible, particularly if the United States Patent and Trademark Office would instead require applicants to submit Information Disclosure Statements electronically and, in particular, to utilize the fillable PDF form. The above solution would certainly reduce the number of physical copies submitted insofar as it would not allow applicants to file any paper references, at least not United States documents, which I believe would be the vast majority of documents submitted in any one Information Disclosure Statement. Eventually, other foreign patent documents could likewise be stored in a common database at the United States Patent and Trademark Office with simple links otherwise submitted in an Information Disclosure Statement that then link with the searching software.

F. Use of a Search Report

As noted above, applicants file IDSs to comply with Rule 56 and to ensure that all the relevant prior art is before the examiner. Clearly, applicants would file less prior art if it were filed after a search report was issued by the PTO as much of the pertinent prior art would be cited by the Examiner thus obviating the need to submit that same references. Applicants could then simply supplement the search report. This would be particularly true of any U.S. patent documents. However, it may be desirable to require submission of any foreign or non-patent literature in advance of the issuance of a search report.

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Also, if the classification data used by the examiner for a search was provided, isn't it reasonable to assume that there is no need for an applicant to submit references that are classified in the classes and subclasses already searched by the examiner?

While the above general comments only directly address the specific rules now proposed by the United States Patent and Trademark Office, we believe that they suggest an alternative solution that is far less drastic and has far less implications than that presently proposed. I also provide our comments on the specific rules below.

II. Specific Comments on the Rules

As to the specific rules, a strict limit on references creates several dilemmas for applicants. Should an applicant only cite 15-18 references to keep a couple in reserve in case a foreign case turns up more relevant references? If so, what if the U.S. application should issue first with only 15-18 references cited. The patent would be subject to attack for failure to cite an additional 2-5 references as would be allowed under the rules. This would suggest that an applicant should submit 20 references so that a defense to a challenge would be that additional references could have been cited.

As to the requirement that an applicant may need to identify the relevance of each IDS reference, I thought we tried this and dropped it in the early 1990's. When I was an examiner, applicants were required to provide a statement of relevance of each prior art reference submitted. Examiner's never took an applicant's word for it and did their own independent review of the submitted references. This is one reason why the requirement was dropped. To suggest that reinstating that requirement will have any different effect is without merit. No examiner should rely upon an applicant's characterization of a reference. The examiners should conduct their own review of the cited references. Thus, any requirement that an applicant state the relevance is purely punitive in nature and an invitation to commit malpractice.

III. Alternative Solutions

As mentioned above, one alternative solution to the PTO's problem is to require any IDS citing more than 20 references to be filed electronically using the pdf-fillable form. The PTO should obtain the technology to link the U.S. patent documents submitted in such a pdf-fillable form to the examiner's searching system so as to merge the review of the submitted documents with the examiner's normal electronic search such that no additional examiner time is needed to review the submitted U.S. patent

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documents and such that the submitted documents are merely highlighted by the system for the examiner.

All patent documents classified in the searched subclasses should be deemed to have been considered by the examiner for purposes of a presumption of validity and for purposes of eliminating the need for an applicant to submit documents so classified to satisfy Rule 56.

The PTO may also wish to consider issuing a preliminary search report to obviate the need for an applicant to submit most references.

Sincerely,

/Terry S. Callaghan/

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TSC/rsw