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Subject: Comments on Changes To Information Disclosure Statement
Requirements and Other Related Matters, 91 FR 38808

See attached PDF file ...

**Comments to proposed rules:
“Changes to Information Disclosure Statement
Requirements and Other Related Matters”
71 Fed. Reg. 38808**

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The views expressed here are his own.

Introduction

For at least the third time in 2006, the USPTO is trying to impose a requirement for an applicant to characterize the prior art submitted along with an application for the examiner to consider and, in fact, argue why the invention as claimed is patentable in light of that prior art. For the reasons given below, this is a *very bad idea* and the USPTO should drop its effort to achieve it by tying it to some other aspect of the application or giving preferences.

The first time this year that this was proposed was as part of the proposed “Changes to Practice for the Examination of Claims in Patent Applications,” 71 Fed. Reg. 61 (January 3, 2006), where document descriptions are required as part of the Examination Support Document required when there are more than ten claims selected for initial examination.

It showed up again in the “Changes to Practice for Petitions in Patent Applications To Make Special and for Accelerated Examination,” 71 Fed. Reg., 36323 (June 26, 2006), where document descriptions are required as part of the Accelerated Support Document that must be filed in order to jump to the head of the multi-year backlog of pending applications, or at least go to the end of the other applications that have cut in line by meeting all the requirements for “accelerated” examination.

And now, under this proposal, document descriptions must be provided for “English language documents over twenty-five pages, for any foreign language documents, or if more than twenty documents are submitted.”

Why not help the examiner?

If the only goal of a patent applicant were to secure a patent, there would be little reason to object to imposing a requirement for the applicant to characterize the prior art. But while that is the goal of the USPTO (along with, hopefully, rejecting applications that do not meet the requirements for a patent), that is not the case for the patent owner. An issued patent is simply a paper with a pretty ribbon if the rights that should go along with it cannot be economically enforced in court against infringers.

Describing a prior art reference by a patent applicant can only hurt the enforceability of the granted patent. If it overstates what a reference shows, not only will the examiner rely on that overstatement, but so will an alleged infringer when trying to show that the patent is invalid in view of the prior art. If it understates what the reference shows, the alleged infringer will claim that the patent is invalid because of “fraud on the patent office” (or the nicer way of saying that, “inequitable conduct”). The “fraud” may not even be relevant to the infringement, but simply a way that a true infringer can weasel out of liability.

The proposal seems to sense this problem, and tries to lessen it with changes to Rule 56:

The additional disclosure requirements for documents in § 1.98(a)(3) would be deemed satisfied where a § 1.56(c) individual has made reasonable inquiry of the relationship of the documents cited in an information disclosure statement to the claimed invention, including the supporting specification, and the individual has acted in good faith to comply with the disclosure requirements by having a reasonable basis for the statements made in such disclosure.

But there are enough qualifications in that proposed rule to provide ample grist for an infringer whose only hope is to find some way to invalidate the patent. “Reasonable inquiry,” “good faith,” and “reasonable basis” are all subjective tests that open the applicant to a flurry of depositions and arguments.

And the USPTO knows that even having the proposed change to the rule may not be enough. “While the proposed amendment to § 1.56 may not act as a complete defense in all situations, particularly as the court is not bound by any one duty of disclosure standard established by the Office, the Office is hopeful that a court in deciding a duty of disclosure issue will take the proposed safe harbor into account.” Being “hopeful” is no consolation to people who have to comply with this new requirement now and put their patent at risk.

What is being requested is not just a simple abstract or description of the prior art document, but “identification,” “correlation,” “non-cumulative description,” and “patentability justification” in far more

detail than many office actions from examiners. And it must be done all over again if anything changes because of amending the claims.

Applicants have *never* had to initially argue for the patentability of their claimed invention. It is the statutory requirement for the examiner to make a *prima facie* case for unpatentability or grant the patent.

One of the litigation benefits for a patent owner is the high evidentiary requirement for invalidating a patent based on the “presumption of administrative competence.” Because “the PTO is an expert body, or that the PTO can better deal with the technically complex subject matter, ... the PTO consequently deserves deference,” *Dickinson v. Zurko*, 527 U.S. 150, 163 (1999), in a trial court or on review by the Federal Circuit. Off-loading some of its examination activities to a patent applicant, with the examiner now reviewing that work instead of performing it, brings that deference into question.

Characterize the art, or allow a protest

If the proposal were not bad enough, it also gives a patent applicant the choice between two bad alternatives whenever somebody provides the applicant with what is alleged to be prior art bearing on the patentability of the invention. The applicant can submit it to the USPTO, along with the extensive and problematic required disclosures because it is unlikely that this third-party information came in during the initial document submission window. It may not even be possible then, if any of the material is over twenty-five pages, in a foreign language, or pushes the applicant’s disclosure over twenty documents. This will be the case even if the applicant feels that the third-party material is duplicative of material already under consideration by the examiner, or is irrelevant to the issue of patentability of the invention as claimed.

Alternatively, the applicant can “avoid the burdens” by “written consent to the filing of a protest by the third party based on such information, thus shifting the explanation burden back to the third party.” And by doing that, the applicant allows the third party (generally somebody like a potential infringer, against the granting of a patent on the invention) to “spin” an argument to the examiner of why the patent should not be granted based on their characterization of the submitted references, with no mechanism for the applicant to rebut it before the examiner may mistakenly adopt it.

The current rules recognize this problem of allowing third parties to attempt to influence the views of the examiner beyond simply bringing prior art to the examiner’s attention:

A submission under this section shall not include any explanation of the patents or publications, or any other information. The Office will not enter such explanation or information if included in a

submission under this section. A submission under this section is also limited to ten total patents or publications 37 CFR 1.99(d).

And protests are allowed by 37 CFR 1.291 only if filed before the publication of the application or the notice of allowance, whichever comes first, unless the applicant consents to the protest. This proposal coerces the applicant into giving that consent. That is certainly not in line with the spirit of Congress's mandate to the USPTO when it established early publication of patent applications:

The Director shall establish appropriate procedures to ensure that no protest or other form of pre-issuance opposition to the grant of a patent on an application may be initiated after publication of the application without the express written consent of the applicant.
35 U.S.C. 122(c).

It is not the role of the USPTO to coerce that consent. It is bad enough that this proposal tries to off-load much of the examination onto the applicant. This gives a role in the examination to a competitor or other person who wants to block the patent, unless the applicant "opts to" provide the burdensome and problematic disclosures for everything that the competitor sends to the applicant. If this proposal is adopted, it will be interesting to see the tricks played by those opposed to a particular patent, or even patents in general, to game the system to block the granting of a legitimate patent.

Change the examiner productivity measure

What the USPTO can do to address the problem of having the examiner review the prior art submitted by an applicant is to bring its current system for determining examiner performance into the 21st Century. There is no need to continue the current coarse-grained "count" system, which may have made sense when records were kept with paper and pencil, but has no justification now. It has been said that the measure determines the system, and that is certainly the case here.

The patent statutes already recognize that applications with more claims require more work, as do longer applications. That is why there is a surcharge added to the normal application fee for claims above three independent and twenty total claims, and for applications longer than 100 pages. But, while the Office collects additional revenue to support the additional work, it does not translate that into additional credit for the examiner performing that work on the particular application. The examiner receives the same credit for the disposal of a short application with few claims as for the applications with a large number of claims that the proposed rules try to address. That makes no sense.

At the same time it reforms its internal performance measuring system, the Office should ask Congress for authority to charge for other things within the control of an applicant that require additional examiner

time, such as voluminous information disclosures that are more calculated to bury the examiner in hopes of a quick initialing of the sheet for a reference so that it can't be used in later litigation. (The concern that motivates this proposal.) The Office should even consider recommending to Congress surcharges for particular technologies, such as business method patents where the "second set of eyes" program has improved examination quality but at a clear increase in cost.

The USPTO already counts the number of pages for each document submitted by the applicant, as can be seen in the entries for the Image File Wrapper of an application. (The documents themselves are available to the examiner, but not on Public PAIR.) There is currently no fee to cover the scanning of the documents submitted by the applicant, although there is a fixed fee for late-submission of prior art. Having a per-page-submitted fee (perhaps when above some nominal count) would pay for both the examiner's time to review the submission and the costs to enter it into the IFW system.

The fee structure could also recognize that a document submitted late in the prosecution of the application may require more examiner time to analyze than one submitted with the application filing, and charge accordingly. Rather than off-load the examining responsibility to the applicant, as this proposal hopes to do, the USPTO would be paid and the examiner credited for the time necessary to properly consider the new documents.

Instead, this proposal eliminates even that charge for the extra work caused by late submission of documents, and instead substitutes the requirement of the heightened additional disclosure requirements. This doesn't give any credit to the examiner who takes the time to read those disclosures and determine whether they are accurate, discouraging do the very act that justifies the heightened deference due the patent in litigation.

To warrant the surcharge to cover the time necessary for an examiner to review each prior art document submitted by an applicant and comment for the file on how it relates to the patentability of the claimed invention, the fact-finding that is being giving deference, the USPTO should ask Congress or the courts to give deference only to the prior art considered by the examiner. Then, applicants will have an incentive to submit the most pertinent prior art (to get the heightened deference) but not try to bury the examiner (because they will be paying for the volume they submit), at the same time the examiner is given the time to read and understand every document that the applicant submits. That would be far better than this proposal, which makes any deference due an issued patent questionable, and opens the patent owner to charges of inequitable conduct that could invalidate a patent.