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From: Miller Patent Services

Sent: Friday, August 18, 2006 9:27 AM

To: AB95 Comments

Subject: Comments on IDS proposed rules

Attached are comments on behalf of myself.
Jerry Miller

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Comments Regarding Proposed Rulemaking for:  
Docket No.: PTO-P-2005-0024  
RIN 0651-AB95  
Changes to Information Disclosure Statements Requirements and Other Related Matters

Dear Sirs:

I strongly oppose the proposed changes in practice relating to information disclosure statements (IDS) referenced above for at least the reasons that follow. While I applaud the USPTO's goals of quality enhancement and backlog reduction, and appreciate the enormity of task before it, I respectfully submit that the present proposal will do little to improve either. Furthermore these rule changes will have their major impact on a small minority of applications while imposing substantial cost and other disadvantages on a large percentage of all applicants. If these rules are implemented (as well as the previous two sets of proposed rules), I will be forced to substantially increase the amount I charge for my services, and may have to all but eliminate representation of individuals and small companies – a source of much of the innovation that has built America.

I submit that the proposed rulemaking is absurdly complex and fails to address the real problem, but merely treats a symptom and exacerbates the actual underlying problem. The underlying problem is not submission of excessive IDS references in a patent application. The underlying problem is actually the reality that under present laws, rules and regulations, in litigation the patent practitioner will almost without a doubt be accused of inequitable conduct, fraud and/or malpractice.

While the rules in fact do not require disclosure of references that are not "material", the fact is that failure to disclose a reference that is even only of cumulative value, or of unrecognized import will likely result in the above charges. As a result, on a frequent basis the practitioner is faced with the decision of erring toward overdisclosure, or risking underdisclosure (knowing that either way, the same accusations of wrongdoing are likely to come his or her way in litigation). One is forced to ask one's self if he or she would rather face a charge of complete failure to disclose, or face a charge of overdisclosing.

In 25 years of practice, I have encountered this question on a regular basis. In accord with my early training, and as reinforced by consultation with numerous litigation counsel repeatedly over the years, the litigators consulted would near universally rather face the issue of overdisclosure than explain a failure to disclose. Hence, my practice has always erred on the side of overdisclosure in an attempt to avoid as best possible, any appearance of improper actions. In either case though, the cost of defending your good intentions may lead you to financial disaster.

With the new rulemaking, the practitioner is placed in an even riskier situation, and the client is faced with dramatically higher costs. If a client has done substantial research, there may be a substantial body of information that is to be sorted through for purposes of providing an information disclosure statement. If one wishes not to disclose all but 20 or fewer references, in compliance with the new proposal, the first land mine that the practitioner must navigate is which 20 or fewer – leaving the others on the table for future litigation. If, on the other hand, the

practitioner wishes to make a full disclosure, he or she must provide a dangerous characterization of the references and their relevance to the claims. This land mine can be as deadly as or more so than the first. If the characterization is even innocently misleading (e.g., by virtue of use of a single wrong word, a typographical error, an innocent misunderstanding of the reference, or even a failure to point to the most damaging part of a reference), the practitioner will be accused of attempts to mislead the examiner. I, for one, will be forced to charge a hefty fee for taking these risks – and I strongly believe that I am not alone. I will also have to consider ceasing to represent small companies and independent inventors.

I submit that it will be more valuable to address the underlying problem than to propose yet more complex bureaucratic rules that simply make matters worse for the practitioner and more expensive for his clients.

Most, if not all, practitioners recognize that it is in the best interest of their client to have the most relevant art considered during examination. No client wants to uncover the best art only after commencing litigation. I submit that it is the looming threat of fraud charges that are at the root of most problems with submissions of an extensive IDS. This being the case, what is one to do to solve this problem?

My proposal will no doubt seem radical to the PTO and possibly to the patent bar in general, but I beg your consideration. I believe that we should seriously consider the fact that the U.S. Patent Office stands alone or nearly alone in its requirements of a duty to disclose. The information disclosure statement, I believe, is an exclusively (or at least near exclusively) phenomenon of U.S. patent practice. Why is it that we have such a duty in the U.S. and no other patent office (or almost no others) in the world? Are U.S. patent practitioners less trustworthy than our counterparts in other countries? I think not, and submit that in general we are probably more trustworthy. Perhaps we should seriously consider revising the rules to make IDS submissions voluntary and further permit disclosure of as much or as little art as the practitioner wishes to cite, with or without an explanation of relevance, and without guarantee that the examiner would consider more than a threshold number of references (e.g., the proposed 20 of the present rules, with exceptions for art received from foreign searches or after filing).

By eliminating IDS submissions as a “duty” in favor of voluntary submission with a restriction on the number of references that an examiner will be required to consider, I believe that both the underlying cause and the effect of burdensome IDSs will be dramatically reduced.

What happens if the Applicant or practitioner chooses not to disclose information? It doesn't get considered and any patent issuing may be weaker for it. Is this worse than the situation that currently exists? I think not. Practitioners want their clients to have good patent protection, and I believe the net result will be that the office will receive reduced numbers of references and not more or less than needed in the vast majority of cases. There always has been and always will be imperfections in the patent system, and it is time that we accept this as fact and move on. Questionable patents will always slip through and the well advised patent owner will seek to determine the strength of his patent before asserting it.

That said, let me comment briefly on a few of the proposed rules.

Regarding § 1.97 (i), I suggest changing “will not be considered by the Office” to “may not be considered by the Office”. If a practitioner submits a non-compliant list of references, I believe he or she should simply have no guarantees that the references either will or will not be considered. Some conscientious examiners may wish to mine the information without regard for whether or not the information was submitted in compliance. Additionally, some practitioners may wish to submit a more comprehensive list of references that were considered and from which a compliant list was selected. I believe there could be situations where this would be a relevant and useful submission, and should be permitted without required penalty.

Regarding § 1.98 (a)(3)(C), the cumulative limit of 20 documents prior to requirements for an explanation will discourage submission of later identified, but more relevant references. Once this threshold is passed, a dramatic increase in the work burden and potential liability for error is encountered. In view of the current backlog at the patent office, the time between filing and first office action could unveil a substantial amount of better art. Since time to first office action is so unpredictable, if one submits the 20 best references at the time of filing, there is a disincentive to submit more references that might be better. One might find incentive to wait until after first office action to make additional submissions in hopes that the examiner will find the better art on his own. In view of this possibility, one might also be inclined to wait until after first office action to submit any IDS at all. These incentives are at odds with the stated desire to get the art into the examiner’s hands early. Some mechanism to deal with the cumulative nature of knowledge with increasing time should be devised. I suggest that there be an exception to the cumulative nature of the threshold (and for any requirement for explanation or patentability justification) for art either (1) discovered by the Applicant after filing the application by some means other than a foreign search report or (2) published after filing the application, but *prima facie* available as prior art.

Regarding § 1.98 (a)(3)(C)(iv), (v), (vi), (vii) and (ix), these provisions effectively shift the burden of proof from the Examiner to the Applicant whenever an arbitrary number of references are cited by the Applicant in an effort to comply with the duty of disclosure. Respectfully, it is the patent examiner’s job to establish unpatentability, and not the Applicant’s to prove patentability. These requirements turn our present system upside down and are unjustified.

Regarding § 1.98 (b)(5), I suggest changing “must” to “should” and inserting “if available” before the period. Many references, particularly information obtained from the Internet, do not contain some of the data required by this section. If it is not available, the language of this section would seem to prohibit submission of the reference without regard for its relevance. Without some flexibility in this rule, the practitioner may be left with an inability to fully comply.

Regarding § 1.98 (c), I suggest changing “must” to “should”. Unless two documents contain identical disclosure, a judgment that a reference is cumulative is just that - a judgment call. Differing language in the “cumulative” reference and other references can and does readily lead

to variations in interpretation. The term “must” is rather harsh under the circumstances and given that reasonable evaluations of the art may differ.

Regarding the proposed changes to § 1.48, I concur with those changes for the most part.

Respectfully Submitted,

Jerry A. Miller  
on behalf of myself