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From: Brad Pedersen

Sent: Friday, September 08, 2006 5:32 PM

To: AB95 Comments

Subject: Comment on Proposed IDS Rules

Attached please find comments on the Proposed IDS Rules.

September 8, 2006

Via Electronic Mail: AB95Comments@uspto.gov

Honorable Jon W. Dudas
Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office
Mail Stop Comments—Patents
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Attn: Hiram H. Bernstein, Senior Legal Advisor
Office of Patent Legal Administration
Office of the Deputy Commissioner for Patent Examination Policy

Robert J. Spar, Director
Office of Patent Legal Administration
Office of the Deputy Commissioner for Patent Examination Policy

Re: Comments on

Notice of Proposed Rulemaking Entitled “Changes To Information Disclosure Statement Requirements and Other Related Matters,” 71 Fed. Reg. 131 (July 10, 2006)

Dear Under Secretary Dudas, Mr. Bernstein, and Mr. Spar:

These comments are being submitted in response to Notice of Proposed Rulemaking Entitled “Changes To Information Disclosure Statement Requirements and Other Related Matters,” 71 Fed. Reg. 131 (the “IDS Proposed Rule”). The comments submitted herewith reflect my own views and concerns on the rules packages, and do not necessary reflect the views or opinions of either my firm or of any of its clients. My comments should be considered together with the comments submitted by the Minnesota Intellectual Property Law Association (“MIPLA”) in connection with both the IDS Proposed Rules and the proposed rules for designated claim and limits on continuations (the “Prior Proposed Rules”).

General Comments

Patent applicants are entitled to a fair opportunity to protect their valuable inventions at a reasonable cost, and—most importantly—preserve the Constitutional mandate to promote the progress of science and the useful arts by providing exclusive rights to patentees that correspond to the scope of their discoveries and inventions. Understandably, the United States Patent and Trademark Office (USPTO) faces a difficult challenge to ensure that this opportunity is not lost due to the backlog of pending patent applications in the USPTO. My comments are presented with an assumption that a general rules change

package including at least some of the provisions of both the Prior Proposed Rules and the IDS Proposed Rules will be adopted by the USPTO in the near future which will result in very significant changes in the overall approach to patent preparation and prosecution that will be needed to effectively comply with both the IDS Proposed Rules and the Prior Proposed Rules.

While changes may be necessary to effectively address the backlog of pending patent applications with respect to future patent applications, I am deeply concerned about the effect of both the IDS Proposed Rules and the Prior Proposed Rules on the currently pending applications that were prepared, filed and, in some cases, at least partially prosecuted under a very different strategic landscape with respect to Patent Office rules and procedures. The prejudice, expense and confusion caused by effectively “changing horses in mid-stream” with respect to the rules and strategies that apply to pending patent applications will have ramifications far beyond the problems caused by the current backlog of applications.

Accordingly, I strongly encourage the USPTO not to make the IDS Proposed Rules retroactively applicable to any application on file as of the effective date of the adoption of such rules; or, at a minimum, consider the adoption of different versions of the IDS Proposed Rules for applications already on file as of the effective date of the rules and provide specific provisions to clarify how the IDS Proposed Rules would be “phased in” with respect to currently pending applications.

Specific Comments

1) Limit the retroactive application to existing applications - The IDS Proposed Rules should be applied only prospectively to applications having an effective filing date after the effective date of the adoption of any proposed rules. There are numerous problems associated with application of the IDS Proposed Rules as currently drafted to applications that are already on file. Specifically, retroactive application of the IDS Proposed Rules create at least the following problems:

a) Provide for provisions governing withdrawal of IDS already on file - Although it is suggested in the comments that an applicant could “withdraw” an IDS already on file in an existing case for purposes of attempting to comply with the proposed limits on cited references (71 Fed. Reg. No. 131 at page 38818, col. 3), there are no provisions in the existing Rules or in the IDS Proposed Rules that would govern any such attempt on the part of an applicant to make a withdrawal of a previously submitted IDS. Without some kind of amnesty/safe-harbor provision in the Rules as part of a transition period, any actions on the part of applicants to withdraw or reduce the number of references or the page counts of references in a previously submitted IDS in a pending application effectively guarantee that an argument of inequitable conduct will be made if a patent issuing from that pending application were ever to be asserted in future litigation. Moreover, without some kind of express provisions in the Rules for the withdrawal of an IDS, there do not appear to be any existing rules or regulations that would govern this situation as a practical matter in terms of the effect on the

file history, patent cover sheet, or timing and effect of an attempt to withdraw a previously submitted paper. One alternative to setting out rules for withdrawing an already submitted IDS would be to continue the use of the existing 1449 form but classify any references submitted on a 1449 form as a kind of second class of references that would be noted in the file history but would not be reviewed by the Examiner and, instead, require submission of a different kind of IDS form for any references that would be reviewed by an Examiner under the IDS Proposed Rules. (See the Alternative Proposal below suggesting that two classes of IDS submissions be adopted)

b) Exempt the filing of continuing application to comply with Proposed IDS Rules from continuation limits - The impact of attempting to make the IDS Proposed Rules retroactive will result in the need to “restart” prosecution of many applications, either by filing a continuation or RCE in order to minimize the Draconian impact of the IDS Proposed Rules at any point after receipt of a first action on the merits. Given the limits on continuations that are part of the Prior Proposed Rules, applying the IDS Proposed Rules to cases already on file will amount of “double jeopardy” for applicants as the best way of addressing the impact of the IDS Proposed Rules will apparently cause applicants lose rights in terms of continuation filings. Accordingly, the PTO should amend the continuation rules of the Prior Proposed Rules to include the express exception that filing of a continuation/RCE for the purpose of complying with the IDS Proposed Rules would presumptively qualify as "good and sufficient cause" for filing a second or further continuation and/or should not "count" against any limit imposed by the Office on the number of continuing applications that may be filed by an applicant.

c) Eliminate page limit for references in any IDS already on file – The comments in the IDS Proposed Rules suggest that a survey of pending applications revealed that a large majority would already be in compliance with the proposed limits of 20 on the number of cited references; however, nothing was indicated as to what the survey found with respect to the number of applications where cited references would exceed the proposed page limits of 25 pages/reference. In order to provide for a more orderly transition to the IDS Proposed Rules and minimize the amount of rework effort on the part of applicants and their attorney to review each and every pending application for compliance with the new rules, it is strongly recommended that the page limits of the IDS Proposed Rules not be made retroactive to applications already on file as of the effective date of any new rules.

2) Limit application of the IDS Proposed Rules in cases where there is/may be a restriction requirement – Until such time as a restriction requirement and election have been made in cases with claims directed to more than one potentially distinct patentable inventions, compliance with the IDS Proposed Rules is highly problematic. Applicants are forced into the undesirable choice between splitting up the limit of 20 references among different potentially restrictable inventions (e.g., an application with four

potentially restrictable claim sets would mean that an applicant would be effectively limited to only 5 references/claim set in order to meet the cumulative total of 20 references) or waiting until a possible restriction requirement and then submitting references for a single elected species before a first action on the merits. Given the variable nature of restriction practice in different art groups and even among different Examiners, forcing applicants and their attorneys to guess about how best to prosecute cases that have potentially restrictable claims will only result in confusion, frustration and extra effort on the part of both applicants and the Office. If an applicant elects to delay submission of references in anticipation of a restriction requirement or in conjunction with a proposed restriction under the Prior Proposed Rules, there will be no opportunity for a telephonic provisional election under MPEP 810 as the applicant will wait to respond to a written restriction requirement in order to allow for time to submit the appropriate references under the IDS Proposed Rules.

3) Require an Examiner to consider all references when there are less than 20 total references - Proposed Rules 97(i)(1), 98(a)(3)(vii)(C) and 98(c) should be amended to state that the Office may not refuse to consider as cumulative any IDS submissions where the total number of references submitted are less than 20 references. Such a change to the IDS Proposed Rules would limit the ability of Examiners to "game" the rules by arbitrarily deeming one or more references in an IDS to be cumulative and not granting any additional time to comply with such a determination under the discretionary extension of time under Rule 97(i)(2), thereby forcing applicants to provide both Explanations and Non-cumulative Descriptions by virtue of the fact that the IDS would be resubmitted in the second time period that starts after a first action on the merits.

4) Eliminate/change the 25 page limit aspect of the Proposed IDS Rules – Proposed Rule 98(a)(3)(B) should be eliminated or, at a minimum, amended to provide for a higher page number that would trigger the additional explanation and correlation requirements. As previously mentioned, nothing in the rationale advanced for the Proposed IDS Rules reviewed the number of pages in references to establish that excessively long references were a significant issue in the prosecution of patent applications. Without evidence in this regard, and given the dramatic increase in the burden assumed by applicants and their attorneys to comply with other aspects of the Proposed IDS Rules, it is respectfully submitted that the USPTO should defer imposition of a page limit requirement for IDS submissions until some period of time after adoption of a limit on the total number of references and then only in conjunction with the establishment of a facts supporting a problem caused by so-called large documents. At a minimum, the arbitrary page limit of 25 pages should be increased to something more reasonable like 100 pages, the limit under which applicants may file provisional applications without incurring payment of excess page fees.

5) Provide a Definition/Standard for “Non-Cumulative” – The definition of “non-cumulative” in the comments of the IDS Proposed Rules is neither helpful nor correct in terms of the applying the IDS Proposed Rules to any application having more than one claim. An express definition of what the USPTO will use as a standard in determining whether references are “Non-Cumulative” should be provided as part of the IDS

Proposed Rules and should be drafted in such a way as to encompass the potential relationship of different references to different claims in any given application. Moreover, the language of proposed Rule 98(a)(b) that “[t]he description may be of a specific feature, showing, or teaching in a document that is not found in any other document of record” seems to focus the definition on a listing of features found/not found in a given claim. In an example in which the claim recites elements A, B, C and D, with reference 1 teaching elements A and B and reference 2 teaching elements C and D, it is conceivable that a reference 3 which teaches elements B and C could be considered cumulative because all of the elements have already been shown in references 1 and 2. Such simplistic examples merely highlight the challenges that will face applicants and their attorneys in trying to predict whether and how an Examiner may view the teachings of any given reference or set of references with respect to a particular claim, let alone with respect to an entire set of independent and dependent claims.

6) Provide clarification on the limits of the indicia of the need for a more in-depth review – The comments on the IDS Proposed Rules regarding when and how an Examiner determines whether an more in-depth review of a reference need to be clarified and, preferably, stricken from the IDS Proposed Rules. A strict application of these comments – “(1) That the document has been applied in a rejection, or specifically commented on by an examiner, in a case drawn to the same or similar subject matter;” (71 Fed. Reg, No. 131 at page 38810, col. 3) are likely to lead to confusion and a never-ending list of references that must be reviewed. For classes and subclasses with a large number of applications “drawn to the same or similar subject matter” there may be literally thousand of patents and applications that would need to have each reference cited in each rejection reviewed. Without an initial determination of the particular relevance of a given patent or application, determining the relevance of any references cited during the prosecution of that application or patent is a wasted effort.

7) Provide clarification of “rare cases” comment with respect to citation to the specification for correlation instead of the claims - Proposed Rule 98(a)(iv)(B) expressly permits citation to either the claim language, “or to a specific portion (s) of the specification that provide support for the claimed invention” as permissible ways in which to comply with the obligations for correlation of a cited reference as required for an “explanation” under proposed Rule 98(a)(iv). The comments, however, seem to indicate that citation to the specification instead of the claims themselves would be reserved for “rare cases.” (71 Fed. Reg, No. 131 at page 38810, col. 2). If the Office intends to have different standards apply to the correlation requirements of proposed Rule 98(a)(iv)(B) those standards should be made express in the rules and not hidden in the comments.

Alternative Proposal

An alternative proposal to address the challenges to both the applicant and the USPTO in dealing with a large number of references for a given application may be to adopt a two-class IDS submission process, wherein a detailed review by the Examiner and the increased obligations on along the lines of the IDS Proposed Rules would apply only to a first class of references (e.g., references submitted on a newly numbered IDS

form) and only those references would be listed on the face of the patent. The PTO Rules could be amended to indicate that compliance with submission of this first class of references would be considered a good faith effort that would support the heightened presumption of validity of the claims over references in this first class as is now accorded by case law to any reference cited during the prosecution of an application. A second class of references (e.g., presumably references submitted on the current 1449 IDS form) could be identified by the PTO Rules that would permit applicants and other materially involved in the prosecution of the case to submit additional references that are viewed as cumulative or background references and for which the PTO Rules would indicate that no heightened presumption of validity other than the statutory presumption of validity would be assumed for those references. Although a listing of these references would be part of the prosecution history of an application, the second class of references would not be listed on the face of the patent and there would be no presumption of validity for such a second class of submitted references because there would be no review by the Examiner.

If this proposal were to be adopted, corresponding changes to the PTO Rules with respect to reexaminations could also be made to aid in making a determination of whether a substantial new question of patentability is presented by a request for reexamination. For example, the rules could be amended to provide that a request for reexamination would be deemed not to present a substantial new question of patentability if the only references being applied in the request for reexamination are the same references that were considered as part of the proposed first class of references; whereas a substantial new question of patentability could be considered based on the use of a cited reference that was in the proposed second class of references.

The ability to provide for such a second class of references would minimize the inherent risks of inequitable conduct that will otherwise attach to any attempts by applicants and their attorneys in making determinations about which references to submit or withhold from submission under the IDS Proposed Rules. While an issued patent would be subject to a challenge of validity over any references in such a second class without any presumption of a heightened standard of review, the applicants and their attorney would not be subjected to arguments of inequitable conduct for a decision on whether to submit or withhold such references.

Various comments in the IDS Proposed Rules with respect to listing background and cumulative references in the Background Section of an application or in response to an Office Action suggest that such a second class approach is likely to become an implicit part of future patent prosecution; however, without some kind of defined IDS submission form to catalog these “non-considered, but still referenced” references, applicants, Examiners and future patent infringement defendants will each be required to review the entire prosecution history in detail to make an identification of all “non-considered, but still referenced” references that might be found in a given case.

The continued use of the existing 1449 form for the proposed submission of such a second class of references would also minimize the transition issues associated with complying with the IDS Proposed Rules for applications currently on file as there would

be no need to withdraw a previously submitted 1449 form in any currently pending application. Instead, a new IDS form could be submitted that would be in compliance with any final IDS Proposed Rules that would bring to the attention of the Examiner only those references for which heightened consideration and review in accordance with the new rules is being requested.

Sincerely,

/s/ Brad Pedersen

Brad Pedersen