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From: Svensson, Leonard R.
Sent: Thursday, September 07, 2006 6:39 PM
To: AB95 Comments
Subject: Comments on proposed IDS rules

Dear Sirs:

Attached are my comments submitted for consideration in connection with the proposals for "Changes to Information Disclosure Statement Requirements and Other Related Matters".

Respectfully submitted,

Leonard R. Svensson

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September 11, 2006

The Honorable Jon Dudas
Under Secretary of Commerce for Intellectual Property
and Director of the United States Patent and Trademark Office
Mail Stop Comments
P.O. Box 1450
Alexandria, VA 22313-1450

RE: Comments on Proposed Rules: "Changes to Information Disclosure Statement Requirements and other Related Matters, 71 Fed. Reg. 131, pp. 38808-38823 (July 10, 2006)

Dear Under Secretary Dudas:

The proposed new rules relating to Information Disclosure Statements, Published at 71 FR 131, pp. 3803 – 3821 (July 10, 2006), should be withdrawn, because:

1. The rules will significantly **increase patent costs** to applicants, without any sufficient improvements in the patent system.
2. The requirements under the proposed rules will place applicants' attorneys in an **untenable ethical dilemma**.
3. The long-term effect of the rules will be to **weaken patents** because there will be new avenues of attack, that will simultaneously **increase litigation costs**.

These three overarching concerns are so significant that no revisions of the proposed rules can alleviate the concerns. The USPTO should, therefore, completely withdraw the proposal.

1. Increased costs to Applicants

The current rules of the USPTO relating to submission of prior art references encourage Applicants to submit references early in the patenting process by requiring a fee and/or "certification" for "late" submissions. The proposed rules eliminate the fees for "late submission" but instead include far more burdensome and expensive requirements that arise under various circumstances, some of which are totally out of the control of the Applicant.

Under the proposed rules, submission of prior art after the first office action will require Applicants to include a document that compares the submitted prior art to the Applicant's claims (the so-called "explanation"). Preparation of such a document will require significant time and expense because Applicants will be concerned about making any statements that could be construed as harmful admissions or otherwise create undesirable prosecution history estoppel. No such documents are currently required of Applicants, so

the new requirement will clearly increase Applicants' costs. The additional cost will escalate during prosecution because any submitted explanation document must be updated each time the claims are amended.

Additional burdens are place on Applicants by requiring an explanation document simply for submission of more that 20 references or for submission of a reference of more than 25 pages. Why should applicants be punished if the prior art documents happen to be more than 25 pages? That is a matter completely out of the applicants' control. These effects will be particularly burdensome on biotech/life science applicants where the prior art publications often exceed 25 pages in length.

2. Untenable ethical dilemmas

Applicants and applicants' attorneys have long been concerned about carefully crafting any arguments submitted during prosecution to avoid creating estoppel. But the proposed rules create a new and unjustified ethical dilemma for applicants' attorneys.

An attorney is ethically obligated to be a strong advocate for the client. This has been the traditional role of an attorney representing an applicant during prosecution of patent applications – attorneys argue against an Examiner's rejection in an effort to obtain the best patent protection for their client. The new rule proposals, however, will require attorneys to submit statements that do not argue on behalf of their client, but instead are statements ***whose only purpose is for potential use as statements against the client's interests.*** In fact, it seems that the only purpose for any prior art – claim comparison (the explanation document) is to provide the Examiner with statements that can be considered as admissions by the Applicant and then be used by an Examiner to formulate rejections of the Applicant's claims.

It is manifestly unfair to require applicants and applicants' attorneys to submit comments whose only purpose is to trap applicants into making admissions that will then be used against them.

3. Weakening of granted patents.

Regardless of the intentions of the USPTO in proposing the new rules, the clear unintended consequence will be to create a new fertile ground for litigants to attack patent validity; thereby actually weakening granted US patents. The US Congress is currently considering legislation to modify laws relating to allegations of inequitable conduct and the litigation of such allegations in lawsuits. These actions have been supported or partly stimulated by a comprehensive study by the National Science Foundation that recommended changes in the US patent system to strengthen the system and granted patents.

Completely contrary to the goal of Congressional proposals, the USPTO's IDS proposals would increase the ways that patent validity could be attacked on the grounds of inequitable conduct. Creative and aggressive litigants will surely attack patent validity by

highlighting alleged mistakes, misstatements or omissions in explanation and patent support documents, and allege that the patent should therefore be unenforceable because of inequitable conduct.

The USPTO simply should not promulgate rules whose long-term effect will be to increase avenues of patent validity attacks, increase the associated litigation costs and thereby weaken, rather than strengthen, granted US patents.

Respectfully submitted,

By __/Leonard. R. Svensson/_____
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