COMMENTS OF THE ELECTRONIC FRONTIER FOUNDATION AND PUBLIC KNOWLEDGE REGARDING REQUEST FOR SUBMISSION OF TOPICS FOR USPTO QUALITY CASE STUDIES

Docket No. PTO–P–2015-0074

The Electronic Frontier Foundation ("EFF") and Public Knowledge are grateful for this opportunity to respond to the request by the United States Patent and Trademark Office ("USPTO") for comments regarding potential topics for USPTO quality case studies.

EFF is a non-profit civil liberties organization that has worked for more than 20 years to protect consumer interests, innovation, and free expression in the digital world. Founded in 1990, EFF represents more than 26,000 contributing members. Public Knowledge is a non-profit organization that is dedicated to preserving the openness of the Internet and the public's access to knowledge; promoting creativity through balanced intellectual property rights; and upholding and protecting the rights of consumers to use innovative technology lawfully.

As established advocates for consumers and innovators, EFF and Public Knowledge have a perspective to share that might not be represented by other persons and entities who submit comments in this matter, where such other commentators do not speak directly for the interests of consumers or the public interest generally.

Title

Submission of Material Information from District Court Litigation

Proposal For Study

Whether Materials and Information from Related Patent Litigation are Routinely Submitted to the USPTO.

Explanation

Patent litigation continues to be significant. Last year, Lex Machina reports that 5,830 patent litigation actions were filed in U.S. district courts.[1] When a patent litigation action is commenced or terminated, district courts are required by statute to send a notice to the USPTO regarding the action. *See* 35 U.S.C. § 290. District courts utilize Form AO120 to meet this statutory requirement.

In addition, USPTO rules note that each person involved in a patent application has a "duty to disclose . . . all information known to that individual to be material to patentability." 37 C.F.R. § 1.56(a). MPEP section 2001.01(c) specifically notes that "Where the subject matter for which a patent is being sought is or has been involved in litigation, the existence of such litigation and *any other material information* arising therefrom must be brought to the attention of the U.S. Patent and Trademark Office." (emphasis added).

The authors of this comment have observed that the submission of form AO120 is sporadic at best. Many litigated patents do not reference litigation in their file histories, and/or do not provide for a notice of the outcome of that litigation.

More problematically, in commenters' experience, materials produced during litigation, such as prior art, district court infringement and/or validity findings, and findings related to priority dates are routinely *not* submitted to the USPTO as part of an information disclosure statement where a litigated patent has related applications pending at the USPTO. These materials are often materially relevant to pending applications and adverse to the patent applicants' positions and submissions made to the USPTO.

For example, the Supreme Court case of *Alice Corp. Pty., Ltd. v. CLS Bank International* has effected a material change in the application of 35 U.S.C. § 101. 134 S. Ct. 2347 (2014). Many patents have now had claims invalidated under *Alice*. As

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[1] *See* B. Howard, *Lex Machina 2015 End-of-Year Trends*, Lex Machina (Jan. 7, 2016), https://lexmachina.com/lex-machina-2015-end-of-year-trends/.

another example, the Federal Circuit recently decided the *en banc* case *Williamson v. Citrix* that materially modified the application of 35 U.S.C. § 112(f) (formerly 112 ¶ 6). 792 F.3d 1339 (Fed. Cir. 2015). This has led to district court decisions regarding the use of functional language in patents and findings of indefiniteness.

It is likely that some of these decisions relying on *Alice* or *Williamson* refer to patents that have related patent applications pending at the USPTO. The USPTO should study whether these district court decisions are being submitted to the USPTO for consideration by the patent applicants as part of an IDS.

The USPTO should also study whether prior art disclosed by adverse parties in district court litigation is being submitted to the USPTO for any related pending applications. Those accused of patent infringement have significant incentives to discover the most relevant prior art. This art may be much more relevant than that found by the USPTO during the course of an *ex parte* examination.

EFF and Public Knowledge understand that a similar study is already taking place with respect to post-grant procedures at the USPTO. *See* Patent Public Advisory Committee Quarterly Report, http:// www. uspto. gov/ sites/ default/ files/ documents/ 20160204_PPAC_Quality_Update.pdf. Commenters propose that the study should be expanded to include district court litigation, and to study whether applicants are meeting their duties of disclosure.

Private resources such as Lex Machina, RPX, and Docket Navigator, provide easily searchable, reliable information regarding current patent litigation, patents being asserted, and related patent numbers. Information can be cross-checked with PACER for quality assurance.

By studying whether materials from litigation are being furnished to the USPTO, the USPTO could better understand how its rules are being followed in practice, and whether it is improperly granting patents on continuations of patents that have significant invalidity problems. The USPTO could also clarify its rules to address any deficiencies uncovered in the study, in order to ensure patent applicants are better meeting their duties of disclosure.

Respectfully submitted,

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