

**From:** Scott Macfarlane  
**Sent:** Wednesday, October 31, 2012 12:36 PM  
**To:** fitf\_guidance; fitf\_rules  
**Subject:** Urging reconsideration of AIA grace period provisions

Dear Commissioner for Patents,

As the Director of Technology Transfer for SUNY Upstate Medical University, I am writing in support of other universities that are urging the USPTO to reconsider its unduly narrow interpretation of the AIA grace period provisions and, instead, respect the clear legislative intent of Senator Leahy and Representative Smith.

In my earlier letter in support of this reconsideration, sent not as a representative of SUNY but as a longtime technology transfer professional and entrepreneur and which I have attached here, I urged reconsideration for four main reasons which I will summarize here again.

1. The new rules add complexity and ambiguity to the patent examination process by providing new opportunities for non-inventive third parties to game the system.
2. American universities are by far the most innovative in the world, and limiting their ability to obtain patent protection for their inventions (academic inventors often publish first, patent later), the new rule will significantly undermine US global competitiveness.
3. By making publication before filing a virtual death sentence to patent rights, the new grace period will reduce the number university technology-based startups since many are based on technology that was published first.
4. A solid majority of university innovations are commercialized within 100 miles of the university and the largest portion of the rest of innovations coming out of US universities are commercialized within the US, and therefore fewer university patents means that university technology-driven economic development will be greatly diminished.

As I said in my earlier letter, the US patent system and university innovations have been two pillars of American success. It is a mistake to change a feature of the patent system that benefits the US more than other countries. Please reconsider the detrimentally narrow interpretation of the AIA grace period provisions.

Sincere regards,

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**From:** Scott Macfarlane  
**Sent:** Friday, October 05, 2012 2:30 PM  
**To:** fitf\_guidance  
**Subject:** Comments on changes to the Grace Period - keep the old rules

To whom it may concern,

As a longtime technology transfer professional and former entrepreneur, I am writing to discourage the USPTO from making the proposed changes to the grace period. The changes to the grace period to allow third parties disclosures of an invention during the grace period to count as prior art is a bad idea for American competitiveness, a bad idea for the patent office, is a bad idea for encouraging the commercialization of new technologies, and tilts the playing field further in favor of big companies. And it is a bad idea that hurts university innovators the most.

**The new rule adds complexity and ambiguity to the patent examination process.** Under the proposed rules, third parties will be able to quickly follow a public disclosure by an inventor at a competing university or company with a publication of their own, perhaps within days of the initial disclosure. These subsequent publications will count as prior art unless they are shown to derive from the inventor. Demonstrating this will cost money (advantaging big companies) and may be difficult under even the best of circumstances, and in the worst of circumstances will encourage fraud on the part of companies attempting to undermine a potential competing technology. This will become especially difficult if the third party simply attempts to make the invention obvious rather than not novel. As a result, this rule change introduces more subjectivity into the patent examination process since examiners will now have to rule on or determine the source of a subsequent piece of prior art. With the old rule it was cut and dry, either before the date of publication or after.

**The new rule will make the US less competitive globally.** American universities are the source of a great deal of the world's innovation, more so than those of any other country. Our universities are the envy of the world, and countries like France, Japan and China are trying hard to emulate them. The grace period helps university inventors who, unlike company inventors, must publish for their careers and to support the public mission of the university. The change in the grace period rules eviscerates it, rendering it practically useless in the age of instant publication. For example, when a competing research groups sees the publication, it may post its own similar work immediately to the Internet, effectively killing the patent hopes of both parties.

**The new rule will reduce the number of university technology startups.** Much of university innovation forms the basis for technology startups. While doing technology transfer at Cornell I worked with more than two dozen startups, at least half of which were created based on at least one invention that was patentable only because of the grace period, more often than not the key patent. Changing the grace period rules as contemplated will reduce the number of startups created around university technology, perhaps dramatically. This is an especially dumb thing to do as the US economy struggles to compete globally.

**Fewer university inventions will be commercialized.** The new rule Bayh-Dole was intended to encourage the commercialization of university research by allowing universities to own inventions made using Federal funds. These patents allow the licensees of university technology to reap the benefit of the sometimes enormous amount of money they invest in developing the technology into a product. The proposed change in the grace period rules will tend to discourage the commercialization of university research because many more inventions will be unpatentable. It is important to ask how many inventions will not be commercialized because a university publication renders it unpatentable?

The US patent system and university innovations have been two pillars of American success. It is a mistake to change a feature of the patent system that benefits the US more than other countries. Please continue to use the old rules for the grace period.

Sincerely,

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