

PUBLIC PATENT FOUNDATION

Representing the Public's Interests in the Patent System

Daniel B. Ravicher
Executive Director
direct: (646) 470-2641
email: ravicher@pubpat.org



Benjamin N. Cardozo School of Law
55 Fifth Avenue, Suite 901
New York, NY 10003
(212) 591-6038 fax
www.pubpat.org

November 5, 2012

VIA EMAIL

Attn: Michelle Picard
Mail Stop-- Office of the Chief Financial Officer
Director of the United States Patent and Trademark Office
P.O. Box 1450
Alexandria, VA 22313-1450
fee.setting@uspto.gov

Re: Docket No. PTO-C-2011-0008: Setting and Adjusting Patent Fees

Dear Ms. Picard:

The Public Patent Foundation at Benjamin N. Cardozo School of Law ("PUBPAT") is a not-for-profit legal services organization that works to protect the public interest in the patent system. I write to express PUBPAT's views on the proposed fees detailed in 77 Federal Register 173 (06 Sept. 2012) pp. 55028-55085 (the "Proposed Rules"). PUBPAT is grateful for this opportunity to comment on the proposal. Thank you.

To help the patent system maintain high patent quality, PUBPAT assists the Patent Office in reviewing the validity of issued patents by initiating reexaminations with previously unseen prior art. In this way, PUBPAT believes it provides an important public service through its challenges to overly broad patent claims. Many of the reexaminations PUBPAT has requested over the years resulted in the narrowing or elimination of invalid claims that restricted the activities of all Americans.

For example, PUBPAT requested *ex parte* and *inter partes* reexaminations of three patents regarding embryonic stem cells. As a result of PUBPAT's efforts, the Office narrowed the claims of all of the patents. See <http://www.pubpat.org/stemcellbpaidecision.htm>. The patent owner also improved its cooperation with the research community as a consequence of the reexaminations. *Id.* Another example of PUBPAT's public service is the reexamination it requested of Forgent Networks' data compression patent, which the patent owner was widely asserting against users of the JPEG image format. In light of the new prior art provided by PUBPAT that the Office had not been aware of during examination, the Office rejected the broadest claims of the patent, and within a year of the request, Forgent Networks itself abandoned its pending lawsuits based on the patent and stated that it would not assert it again.

PUBPAT is concerned that the Proposed Rules may exclude PUBPAT and other non-profits from using the new post-grant patent review processes created by the America Invents Act. Simply put, the proposed fees for post-grant review (PGR) and inter partes review (IPR), though affordable for large corporations, are prohibitively expensive for non-profit organizations such as PUBPAT. PUBPAT's annual budget is roughly \$250,000, so spending \$30,000+ simply to file a post-grant review of one patent would consume more than 10% of PUBPAT's budget.

As such, PUBPAT proposes that non-profit organizations be provided a similar or greater discount for PGR and IPR fees that small entities receive for patent filings and maintenance fees. Such a discount would allow PUBPAT to continue to play a role in helping the Office achieve its goal of ensuring high patent quality. PUBPAT has a very high level of respect for the Patent Office and is delighted to be able to assist in ensuring only legitimate patents are maintained. However, high fees, like those proposed for PGR and IPR, may make it practically impossible for PUBPAT to participate in the post-grant patent review process.

PUBPAT appreciates the challenge the Office faces in implementing rules to serve competing interests and hopes the Office finds the above comments useful. Please feel free to contact me if I may be of any further assistance on this matter. Thank you for your service to the American people.

Sincerely,



Daniel B. Ravicher