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Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450**By Email**

Attention: Mr. Kenneth M. Schor

Re: Request for Comments on Proposed Changes to Implement Miscellaneous
Post Patent Provisions of the Leahy-Smith America Invents Act

Dear Mr. Schor:

Oloff & Berridge, PLC is a private intellectual property law firm that files and prosecutes thousands of original and reissue patent applications each year, and prosecutes and defends many reexamination proceedings, on behalf of a wide range of U.S. and foreign applicants, patentees, and third-party requesters. Our practice before the U.S. Patent and Trademark Office (USPTO) provides a perspective and depth of experience necessary to provide the following comments regarding the proposed rules.

We appreciate the rule-making burden on the USPTO as a result of the America Invents Act (AIA). We would like to commend the USPTO on its efforts to efficiently and effectively implement the many impending changes brought by the (AIA).

For the most part, we believe that the USPTO has proposed fair and effective rules to implement the miscellaneous post-patent provisions of the AIA. However, as discussed in detail below, we are concerned with (A) the meaning of "the patent owner" in proposed new 37 C.F.R. §1.501(a)(2), (B) the applicability of proposed new 37 C.F.R. §1.501(c) to statements of a patent owner submitted under 37 C.F.R. §1.501(a)(2), (C) the serious and irreversible adverse effect that proposed new 37 C.F.R. §1.510(b)(7) could have on a real party in interest of a third-party requested *ex parte* reexamination in the event that the confidential statement identifying the real party in interest is made public either by mishandling by the USPTO or mislabeling by the requester, and (D) the applicability of the estoppel provisions in new 35 U.S.C. §§ 315(e)(1) and 325(e)(1) to ordered *ex parte* reexaminations.

**A. Proposed New 37 C.F.R. §1.501(a)(2)
Should Clarify the Meaning of "Patent Owner"**

Proposed new 37 C.F.R. §1.501(a)(2) permits statements of the "patent owner" filed in a proceeding before a Federal court or the Office in which the patent owner took a position on the

scope of any claim of the patent to be cited in a patent file. This proposed rule is based on new 35 U.S.C. §301(a)(2), which also refers to statements of the "patent owner." However, it remains unclear from the proposed rules whose statements will qualify as a statement of the "patent owner." Thus, proposed new 37 C.F.R. §1.501(a)(2) should clarify what the USPTO considers to qualify as statements of the "patent owner."

In the case of patent owning companies, if interpreted narrowly, "statements of the patent owner" could be limited to statements made by companies' officers, attorneys, or patent agents. However, in litigation and during proceedings before the USPTO, statements are often made by individuals that are not officers, attorneys, or agents, but are employed by the patent owner company or otherwise acting on the patent owner company's behalf. For example, inventors who are (or were) employees of a patent owner company often take a position on the scope of a claim during depositions for litigation in federal court. Experts are often hired by patent owner companies to prepare expert reports that take a position on the scope of a claim, and these experts are also deposed regarding the scope of a claim. Similarly, during proceedings before the USPTO, inventor employees of a patent owner company, other employees of a patent owner company, and experts hired by a patent owner company will submit affidavits in the form of Declarations under 37 C.F.R. §1.132 that take a position on the scope of a claim.

To achieve the purpose of 35 U.S.C. §301(a)(2), any statement filed in a proceeding before a Federal court or the Office made on behalf of a patent owner, whether by an attorney, a company employee (inventor or otherwise), or an expert hired by the patent owner should qualify as a statement of the "patent owner" under new 35 U.S.C. §301(a)(2) because it is often these type of people who make statements on the scope of a claim. Thus, proposed new 37 C.F.R. §1.501(a)(2) should be rewritten as follows:

Statements of the patent owner made directly or through any party acting on behalf of the patent owner filed in a proceeding before a Federal court or the Office in which the patent owner or party acting on behalf of the patent owner took a position on the scope of any claim of the patent....

B. Proposed new 37 C.F.R. §1.501(c) Should be Limited to Information Submitted Under Proposed New 37 C.F.R. §1.501(a)(1)

Proposed new 37 C.F.R. §1.501(c) says that any information submitted in a patent in which a reexamination is pending will be entered into the patent file subject to the provisions of 37 C.F.R. §§ 1.502 and 1.902, which state that information received after the reexamination has been ordered will not be entered until after the reexamination has concluded. This provision of proposed new 37 C.F.R. §1.501(c) can be found in current 37 C.F.R. §1.501(a).

While this provision makes sense for prior art (i.e., information submitted under proposed new 37 C.F.R. §1.501(a)(1)), it does not make sense for patent owner statements filed in a proceeding before a Federal court or the Office that take a position on the scope of a claim (i.e., information submitted under proposed new 37 C.F.R. §1.501(a)(2)). When an *ex parte* reexamination is proceeding concurrently with a Federal court litigation or other Office proceeding, it is possible that the patent owner may make statements that take a position on the scope of a claim after the reexamination is ordered. Even though claims are construed differently during reexamination than in a Federal court, to prevent the patent owner from possibly taking unreasonably different positions with respect to the scope of the claims in different proceedings, patent owner statements filed in a proceeding before a Federal court or the Office under proposed new 37 C.F.R. §1.501(a)(2) should be entered into the patent file for consideration even after a pending reexamination has been ordered, but before it has been terminated. Accordingly, we suggest that proposed new 37 C.F.R. §1.501(c) be rewritten as follows:

Reexamination pending: If a reexamination proceeding has been requested and is pending for the patent in which ~~the~~ a submission under paragraph (a)(1) of this section is filed, entry of the submission into the official file of the patent is subject to the provisions of §§ 1.502 and 1.902.

C. Proposed New 37 C.F.R. §1.510(b)(7) Should be Deleted Because it Could Result in the Unintentional Disclosure of the Identity of a Real-Party in Interest

Under the current system, a third party has the option of challenging a patent by requesting either *inter partes* reexamination or *ex parte* reexamination. Procedurally, many aspects of *inter partes* reexamination benefit a third-party requester compared to *ex parte* reexamination, and thus third parties regularly file requests for *inter partes* reexamination. Yet, a real party in interest is often willing to forego the various procedural benefits of *inter partes* reexamination and file an *ex parte* reexamination so that the real party in interest can remain anonymous. When the patentee is not aware of the real party in interest's activities, due to that anonymity, a real party in interest is not exposed to potential patent infringement litigation or deliberate attempts by the patentee to draft claims directed specifically to the real party in interest's products. Thus, under the current system, the guarantee of anonymity is a primary benefit of *ex parte* reexamination for a real party in interest.

The AIA will be replacing *inter partes* reexamination with *inter partes* review and post grant review. Like the current system, many procedural aspects of *inter partes* review and post grant review benefit a third-party requester compared to *ex parte* reexamination. However, *ex parte* reexamination will remain the only mechanism by which a third-party can challenge a patent while remaining anonymous.

As a result of the AIA, the estoppel provisions of *inter partes* review and post grant review will extend to the filing of *ex parte* reexamination requests. See new §§ 35 U.S.C. §315(e)(1) and 325(e)(1). To identify a real party in interest for which these estoppels might prohibit *ex parte* reexamination, proposed new 35 C.F.R. §1.510(b)(7) requires that a request for *ex parte* reexamination include:

A statement identifying the real party(ies) in interest to the extent necessary to determine whether any inter partes review or post grant review filed subsequent to an ex parte reexamination bars a pending ex parte reexamination filed by the real party(ies) in interest or its privy from being maintained.

Further, according to comments, but not proposed rules, in the notice of proposed rulemaking, to keep the identity of the real party in interest anonymous, the requester must:

(1) Submit the statement identifying the real party(ies) in interest as a separate paper; (2) title the paper as a statement identifying the real party(ies) in interest; (3) request in the paper that the Office to [sic] retain the paper in confidence by sealing it; and (4) include, in a clear and conspicuous manner, an appropriate instructional label designating the statement as a nonpublic submission, e.g., NOT OPEN TO THE PUBLIC FOR OFFICE USE ONLY.

Unfortunately, this proposed procedure leaves the extremely sensitive identity of the real party in interest subject to inadvertent disclosure by the USPTO such that the statement could become part of the public record, even briefly. Due to the sheer volume and diversity of papers handled by the USPTO on a daily basis, it is not uncommon for papers to be mishandled at the USPTO. In our direct experience, requests for non-publication have been overlooked, papers have been placed in the wrong application file, and papers have been coded incorrectly such that they appear in the wrong category in an Image File Wrapper. Usually, such mishandling can be easily corrected by the USPTO on its own or at the request of the party that submitted the mishandled paper. However, if the identity of a real party in interest is even briefly disclosed to the public as a result, such a disclosure can never be undone, and will expose the real party in interest to the patentee and possibly overwhelming costs of patent infringement litigation.

The proposed rulemaking reasons that the identification of the real part in interest required by proposed new C.F.R. §1.510(b)(7) is "consistent with the practice of real party(ies) in interest identification certification used for existing *inter partes* reexamination," and like the *inter partes* reexamination provisions addresses "Congress's desire to prevent harassment of the patent owner by third parties." However, this rationale overlooks the fact that a real party in

interest cannot remain anonymous in an *inter partes* reexamination, and thus such identification does not subject the confidential identity of the real party in interest to potential disclosure.

For these reasons, we believe that any perceived benefit of C.F.R. §1.510(b)(7) is far outweighed by the potentially catastrophic consequences of even a single mishandled statement. Thus, proposed new C.F.R. §1.510(b)(7) should be deleted from the proposed rules.

**D. The Statutory Estoppel Provisions Provided in New
35 U.S.C. §§ 315(e)(1) and 325(e)(1) Cannot Apply to Pending
Ex Parte Reexaminations That Have Already Been Ordered**

When discussing the statutory estoppel provisions in new 35 U.S.C. §§ 315(e)(1) and 325(e)(1), the background on sections 6(a) and 6(d) of the AIA and the commentary on proposed new C.F.R. §§ 1.510(b)(6) and (7) assumes that a third-party requester "maintains" an *ex parte* reexamination, and thus can be estopped from "maintaining" a prior-filed copending *ex parte* reexamination once a final decision in an *inter partes* review or post grant review issues.¹ However, as discussed below, after a third-party-requested *ex parte* reexamination is ordered, it is the USPTO that "maintains" the *ex parte* reexamination, not the third-party requester.

35 U.S.C. §307 makes clear that, once an *ex parte* reexamination is ordered, the USPTO must issue a reexamination certificate. That is, after the reexamination has been ordered, the reexamination cannot be stopped by the requester (or the USPTO). Thus, after an *ex parte* reexamination has been ordered, it is not being "maintained" by the requester and must continue until a reexamination certificate is issued.

Accordingly, once an order granting an *ex parte* reexamination has been issued, the USPTO and not the third-party requester "maintains" the reexamination. Thus, the estoppel provisions of new 35 U.S.C. §§ 315(e)(1) and 325(e)(1), which only apply to proceedings filed or maintained by the requester, cannot apply to a pending *ex parte* reexamination that has been ordered.²

To handle the situation in which an *inter partes* review or post grant review is filed subsequent to an ordered *ex parte* reexamination that was filed by the real party in interest (or its

¹ The USPTO commentary in the second column of 77 F.R. 443 suggests that section 6 of the AIA states that "a third party requester may not maintain a *ex parte* reexamination if..." The AIA, to the contrary, does not mention *ex parte* reexamination in that context.

² This reasoning also applies to any prior filed *inter partes* reexaminations and interferences that are pending at the time a final decision is issued in an *inter partes* review or post grant review because, like *ex parte* reexaminations, ordered *inter partes* reexaminations and declared interferences cannot be stopped before a final decision is issued.

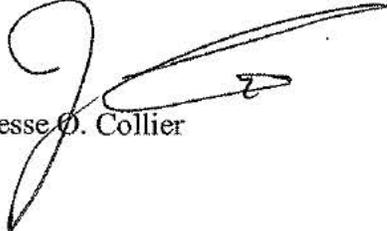
privies), the USPTO should merge or stay the *ex parte* reexamination under the provisions of 37 C.F.R. §§ 1.565 and 1.989 and or new proposed 37 C.F.R. §§ 42.122 and 42.222. In this situation, the issue of anonymity is moot because the real party in interest will have been identified in the petition for *inter partes* review or post grant review.

Merging the proceedings would moot the statutory estoppel issue because both proceedings would continue and be decided together. Alternatively, the USPTO could stay the *ex parte* reexamination until after a final decision is issued in the *inter partes* review or post grant review, and then immediately issue a reexamination certificate that is consistent with the final decision, or move forward with only the issues that were not addressed in the *inter partes* review or post grant review and not otherwise subject to the estoppel provisions of new 35 U.S.C. §§ 315(e)(1) and 325(e)(1).

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We thank you for consideration of our comments. If you have any questions, please feel free to contact the undersigned.

Respectfully submitted,


Jesse O. Collier

JOC/hs