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Via Electronic Mail
post_patent_provisions@uspto.gov

Attention: Kenneth M. Schor
Senior Legal Advisor
Office of Patent Legal Administration
Office of the Associate Commissioner for Patent Examination Policy

IBM Corporation comments in response to “*Changes to Implement Miscellaneous Post Patent Provisions of the Leahy-Smith America Invents Act*,” 77 Fed. Reg. 442 (January 5, 2012).

IBM thanks the United States Patent and Trademark Office (“Office”) for the opportunity to provide input and comments regarding the provisions made for estoppel that may attach to *ex parte* reexamination as a result of any *inter partes* or post grant review described in Changes to Implement Miscellaneous Post Patent Provisions of the Leahy-Smith America Invents Act (“AIA”)¹.

Our comments below are directed to enforcement of the estoppel provisions of *inter partes* review and post grant review in *ex parte* reexamination provided in new 35 U.S.C. 315 (e)(1) and 35 U.S.C. 325(e)(1) respectively, which the Office addresses at least in part with new §1.510(b)(6) and §1.510(b)(7). More specifically, our comments concern the requirement of §1.510(b)(7) that the certification request, which is part of new §1.510(b)(6), contain a statement identifying the real party(ies) in interest. Further, IBM comments on the effect of a patent owner’s statement submitted pursuant to §1.501(a)(2) on the determination of a substantial new question of patentability found in §1.515(a). Finally, IBM addresses the Office’s recent fee increase for *ex parte* reexamination.

IBM respectfully requests clarification with respect to the timing of the estoppel attachment in *ex parte* reexamination in §1.510(b)(7). §1.510(b)(7) states “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.” (emphasis added) With respect to both *inter partes* and post

¹ References to language in the bill are made herein by reference to http://www.uspto.gov/aia_implementation/20110916-pub-l112-29.pdf.

grant review, 35 U.S.C. 315(e)(1) and 35 U.S.C. 325(e)(1) state respectively, if there has been a final written decision, the real party(ies) in interest “may not request or maintain a proceeding before the Office.” The estoppel attaches as a result of the final decision in the *inter partes* or post grant review. The estoppel applies to any new or pending proceedings before the Office. Therefore, IBM suggests §1.510(b)(7) state: “A statement identifying the real party(ies) in interest to the extent necessary to determine whether any *inter partes* review or post grant review bars the initiation or maintenance of an *ex parte* reexamination filed by the real party(ies) in interest or its privy.”

IBM believes that the Office’s proposed requirement to identify the real party(ies) in interest is at best unnecessary and at worst could have a deleterious chilling effect on the oft-utilized and highly successful *ex parte* reexamination procedure.

Ex parte reexamination unlike *inter partes* or post grant review permits the preservation of challenger anonymity. *Ex parte* reexamination, unlike *inter partes* or post grant review, does not require the identification of the real party(ies) in interest. By forcing the identification of the real party(ies) in interest, the Office would undermine a system that has to date been quite successful at the expense of enforcing estoppel provisions that IBM respectfully submits can be enforced through alternative means.

IBM submits that by requiring the identification of the real party(ies) in interest, *ex parte* reexamination practice will become an under-utilized post grant procedure. The anonymity afforded *ex parte* reexamination practice provides the challenger protection from retaliatory infringement actions. Anonymity in post grant procedures is recognized around the world, e.g. opposition before the European Patent Office may be anonymous. The public benefits from the courage afforded by the anonymity and the resulting action taken in an *ex parte* reexamination to address novelty and nonobviousness, because often third parties in the same field have the best information and expertise regarding prior art relevant to the patent. IBM submits that by compromising the anonymity in *ex parte* reexamination, albeit indirectly through submission of a certification request to the Office, the Office would destroy a unique keystone benefit of *ex parte* reexamination. Without the benefit of anonymity third parties will identify themselves as targets for infringement lawsuits, and IBM respectfully submits that third parties will not be willing to so identify themselves, even if they could bring a well-founded *ex parte* reexamination request. The risk is further heightened in consideration that the real party(ies) in interest must be revealed before the request for *ex parte* reexamination is granted. If a challenger makes a request for *ex parte* reexamination and loses, the challenger still risks being identified if a mistake is made with the file. Therefore, *ex parte* reexamination actions will not be filed, and the public will not receive the benefit afforded by a stronger pool of patents in force.

We recognize that new §1.510(b)(7) only requires that the certification request identify the real party(ies) in interest to the Office, and not to the public at large. However, supplying the real party(ies) in interest information to the Office in this fashion will not satisfy many challengers. For example, despite the Office’s good intentions, there will be times when through human error the identities of the real party(ies) in interest will become public. We have unfortunately seen this occur with respect to

anonymously filed Letters of Protest filed at Office which have become part of the public trademark application record, thereby inadvertently revealing the real party(ies) in interest. Rather than suffer the chilling effect of revealing the challenger's identity to the public (including the patentee) through the new certification request found in §1.510(b)(7), IBM recommends an alternative approach to enforce the new estoppel provisions in *inter partes* and post grant review.

To comply with the estoppel effects of new 35 U.S.C. 315(e)(1) and 35 U.S.C. 325(e)(1), IBM recommends that instead of a required certification request as found in new §1.510(b)(6) the Office first check the records for the patent subject to the *ex parte* reexamination request. If the patent subject to the *ex parte* reexamination was not subject to any previous or current *inter partes* or post grant review, the Office need not conduct any further investigation and the requester has unequivocally met the estoppel requirements of new 35 U.S.C. 315(e)(1) and 35 U.S.C. 325(e)(1). If the patent subject to the *ex parte* reexamination was subject to a previous or current *inter partes* or post grant review, IBM recommends that the Office accept a confidential certification from the *ex parte* reexamination requester or it's representative that states "Representative [requester] attests that client [it] was not a party to any of the aforementioned *inter partes* or post grant reviews."

IBM further comments on §1.515(a) which states that within three months following the filing date of a request for *ex parte* reexamination, an examiner will consider the request and determine whether or not a substantial new question of patentability affecting any claim of the patent is raised by the request and §1.552 which states that any statement of the patent owner and any accompanying information submitted pursuant to §1.501(a)(2) which is of record in the patent being reexamined may be used after a reexamination proceeding has been ordered to determine the proper meaning of a patent claim when applying patents or printed publications. IBM submits that the approach taken in the rules is inconsistent and places the petitioner at a disadvantage. Patent owner's admissions affecting claim scope could in turn affect patentability under 35 U.S.C. 102 and 103, and if the patent owner's admissions are not considered when the Office evaluates the request, petitioner is placed at a disadvantage with respect to whether the threshold of substantial new question of patentability has been met. Therefore, IBM recommends that for proper claim scope in the determination of the question of substantial new question of patentability the patent owner's statements submitted pursuant to §1.501(a)(2) should be considered in conjunction with the request.

IBM would also like to comment on the Office's recent announcement of a fee increase for *ex parte* reexamination to \$17,750.² IBM supports *ex parte* reexamination as an important tool in the arsenal of post grant procedures. One aspect that makes the tool so powerful is its anonymity, as it allows the challenger to bring forth prior art without risk of costly retaliatory litigation. Another aspect that has made *ex parte* reexamination so powerful is that its cost was not overly burdensome at \$2520. If the Office must increase the fee, IBM recommends that the Office consider incrementally increasing the

² http://www.uspto.gov/aia_implementation/77fr3666.pdf

fee and collecting detailed statistics of the use of *ex parte* reexamination to monitor any chilling effect.

Conclusion

IBM thanks the Office for providing the public an opportunity to submit comments regarding implementation of the Leahy-Smith America Invents Act. We look forward to working with the Office on forthcoming regulations and guidance.

Respectfully Submitted,

Manny W. Schecter
Chief Patent Counsel
Intellectual Property Law
IBM Corporation
schecter@us.ibm.com
Voice: 914-765-4260
Fax: 914-765-4290

Lisa J. Ulrich
Intellectual Property Senior Attorney
IBM Corporation
lisaulrich@us.ibm.com
Voice: 914-765-4595
Fax: 914-765-4290