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Subject: Third party submission of prior art for patent application

RGS Comment #2 (see disclaimer in RGS Comment #1)

Ms. Gongola:

My colleague Sal Bezos and I appreciate the opportunity to provide comments for the Group 2 Proposed Rule Makings. We have reviewed AIA Sec. 8 relating to Preissuance Submissions by Third Parties, and would like to provide some comments. These comments are provided in order to raise potential issues for consideration by the USPTO while drafting the rules and regulations, and not to encourage any particular view or outcome. As such, these comments do not necessarily reflect our individual views or the views of our firm - - Sterne, Kessler, Goldstein & Fox, PLLC - - or its clients.

a. Weight given to the concise description

Our initial concern relates to the requirement that a submission "set forth a concise description of the asserted relevance of each submitted document." It is our supposition that this was added to the legislation to help the examiner understand the potential relevance of a submission. It may also act to improve examination quality, such as when an industry expert contributes some or all of his/her own publications as putative prior art along with insightful descriptions. However, it is difficult to gauge what weight, if any, an examiner should place on the source of the submission. One side would argue that submissions coming from true industry experts or highly credible sources deserve greater weight. Others argue that the source of the submissions is ultimately irrelevant because it is what the submissions teach and suggest that matters.

More specifically, some argue that an examiner should utilize the "concise description" only for facilitating an understanding of the submissions, and not for any probative value. On the other hand, complete disregard of the comments may discourage future submissions by third parties working to improve patent examination. To ensure consistent examination, the rules should clearly state the amount of weight that examiners are expected to give to the "concise description of the asserted relevance of each submitted document."

b. Willingness of patent applicants to expose their applications to third party submissions

Another concern relates to avenues that the patent applicant can use to circumvent the third party submission process. From the perspective of a third party making a submission, the usefulness of these provisions may suffer if patent applicants take mitigating steps. With Track I prioritized examination, final disposition of an application is expected within a year of filing. This means that a notice of allowance, cutting off submissions by third parties, is likely to occur sooner. It is possible that such notices may occur before the date 6 months after publication, shortening the submission period significantly or eliminating it altogether.

For this reason, it appears that applications that do publish while under Track I examination should be prominently identified upon publication to allow for prompt scrutiny by third parties (to the extent that they publish at all). Alternatively, some argue that steps could be taken to avoid mailing of a notice of allowance too soon, cutting off potentially valuable submissions. Public notice of intent to issue a notice of allowance, when third party submission remains possible, may also be beneficial to this process. Proponents of this approach also point out that many third parties do not routinely monitor the patent applications in a particular technological space, especially if there is substantial patent activity. This is especially true for smaller third parties or universities. Thus this very short time window becomes a significant practical problem.

Opponents to this pre-issuance "comment period" say that it impermissibly expands the proceeding at the cost of prompt examination. In other words, it slants the proceeding too far in the direction of the submitter. This is especially true for Track I examination or where a complex portfolio is subject to multiple contested proceedings.

Patent applicants not seeking foreign rights may also use non-publication requests to effectively avoid participating in the third party submission program. Such

third party would not know of the unpublished application.

It is important for the success of this pre-issuance submission program that patent applicants not worry about the quality of examination where there is third party scrutiny because such scrutiny would act to strengthen claims. But patent applicants as a group are concerned that any third party has standing to make a submission. It does not have to be made for example by a registered practitioner subject to the requirements of 37 CFR 11.18 (third party cannot engage in harassment, statements must be true/believed to be true). Some patent applicants assert that submissions must be made by a submitter that is under the disciplinary jurisdiction of the OED. This is different from anonymous submissions that meet the requirements of the statute. To prevent harassment of published patent applications the Office must create limits to submitters and submissions.

c. Marking of participating applications

During the webinar on October 27, 2011, you indicated that you were unaware of any intent to mark publications and issued patents as having been obtained via Track I. But some argue that creates an incomplete record because the shortened examination may effectively prevent third party submissions. They would say that the record should reflect whether there was a time period for third party submission and the duration of that time period.

Moreover, it is important for the presumption of validity to indicate in the administrative record what the examiner has considered and the extent of consideration of each and every submission made under this process during the examination of the claims. Some argue that the references cited section on the face of the patent indicate that the source of the reference is a third party submitter.

This record indication is also important for the "reasonable likelihood to prevail" requirement for contested proceedings. This is discussed more below.

d. Willingness of third party submitters to participate

An additional concern is the willingness of third party submitters to provide submissions in the first place. In particular, third parties in litigation with the patent applicant may be unwilling to submit their best art to an ex parte examination proceeding. In other words, prior art from the litigation can be "blessed" in terms of patentability in the concurrent prosecution of pending patent applications and thus removed from consideration in later litigation or contested proceedings. The submitter effectively would have no say in how the submission is treated by the examiner and would have no recourse to rectify any mistakes.

Of particular concern is the ability for a third party to meet the "reasonable likelihood to prevail" standard for a grant of an inter partes reexamination/review request. If a third party provides a submission during prosecution, and a patent is granted over that submission, would the third party ever be able to meet the RLP standard using the same reference? If the answer is "no" or "unlikely" even if the examiner just initialed off on the submission with nothing more, this implementation of the proceeding would have a chilling effect on third party submissions. Counsel for third parties would be rightly hesitant to provide a submission at the risk of foreclosing subsequent inter partes reexamination/review over the same submission. Some argue that one way to address this is to require the examiner to give some weight to the "concise description" (or explain why little or no weight was given).

Under this approach, if the examiner disregards the "concise description" or gives it little or no weight, the third party can argue that the submission is still available under the RLP standard for subsequent contested proceedings.

However, some fear that the examiner could circumvent this by merely "cutting and pasting" the "concise description" from the submission and merely initialing off on it without substantive review and decision.

e. Effect on small businesses

The small business or university patent applicant faces additional challenges under this proceeding. Because of cost and delay, they want the examiner to make the best search possible at the beginning of the examination and have any third party submission occur at the same time so that the first Office action addresses all of the best art. The various stages of the proceeding set forth in the statute reflect this goal. However, as expressed above, there is significant concern that the third party submissions and the lack of careful consideration by the examiner will thwart this goal. The rules and regulations must focus on making sure that this goal is met without creating needless process and procedure that will delay examination and increase cost without commensurate increase in patent quality.

Thank you  
Robert Greene Sterne and Salvador M. Bezos