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June 27, 2003

The Honorable James E. Rogan
Under Secretary of Commerce for Intellectual Property
And Director of the U.S. Patent and Trademark Office
Box Comments - Patents
Commissioner for Patents
Washington, DC 20231
Attn: Kenneth M. Schor, Senior Legal Advisor

Re: Notice of Proposed Rulemaking "Changes to Implement the 2002 *Inter Partes* Reexamination and Other Technical Amendments to the Patent Statute," 68 Fed. Reg. 22343 (April 28, 2003)

Dear Director Rogan:

Intellectual Property Owners Association (IPO) appreciates the opportunity to comment on changes in procedures that are being considered by the PTO before they are implemented. IPO offers the following comments on proposed Sections 1.949 and 1.953 of Title 37 of the Code of Federal Regulations.

The proposed rules would amend Sections 1.949 and 1.953 to allow the Office to skip an "Action Closing Prosecution" and proceed directly to a "Right of Appeal Notice" in *inter partes* reexaminations when an examiner reaches a determination that all claims in the proceeding are patentable. IPO opposes these proposed changes in view of the following comments.

The comments accompanying the proposed rules indicate that these changes are part of an effort to streamline *inter partes* reexamination prosecution, based on the assumption that a patent owner "presumably" will not file any further comments after receiving a notice that all claims are patentable, and thus that a third party will not need to be given any opportunity to respond to patent owner comments. IPO believes that a patent owner should be provided with a full opportunity to directly address all issues raised during reexamination proceedings including the opportunity to address any initial finding on the record that a substantial new question of patentability has in fact been raised. While a patent owner may elect not to submit comments once a determination of patentability of all claims has been reached, thus denying the third party an opportunity to respond, we believe the patent owner should still be provided with the opportunity to comment where desired. The proposed rule changes absolutely preclude the patent owner from submitting comments.

General CounselCharles R. Work
McDermott, Will & Emery**Executive Director**

Herbert C. Wamsley

The proposed changes are particularly objectionable in the instance of a first action indication of allowability of all claims and simultaneous issuance of a Right of Appeal Notice. In such a situation, a patent owner could be denied its statutory right to propose amendments during reexamination (see 35 U.S.C. 314), as amendments to claims are expressly barred once the Notice of Right to Appeal is issued.

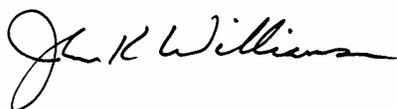
As background discussion, it is noted that if an examiner initially believes art cited in a third party request for *inter partes* reexamination does not raise a substantial new question with respect to patentability of the issued claims, the third party request should be denied (Section 1.923), and reexamination SHOULD NOT BE ORDERED. Conversely, where the examiner believes a substantial new question as to patentability is raised in the request, the order for reexamination should contain the first office action on the merits (see Section 1.935), which presumably in most cases would NOT be a notice of patentability of all claims. While it appears that a “first action on the merits” determination of patentability of all claims after ordering reexamination would be an unusual situation, the comments in the proposed rules clearly do acknowledge such possibility, and make it clear the proposed changes are intended by the PTO to be applicable in such a circumstance.

We suggest that the PTO’s objective of streamlining prosecution after a determination of patentability of all claims has been made could be achieved (in a manner consistent with the patent owner’s statutory right to propose amendments during reexamination) by providing a patent owner an opportunity to expressly waive its right to submit comments/amendments under current Section 1.949 upon receipt of a notice of allowability of all claims. Such an express waiver by a patent owner would preclude any opportunity for third parties to respond, such that a Right of Appeal Notice could be immediately issued.

Finally, we note that the proposed rule changes appear to raise a question (presumably inadvertently) as to a lack of any express requirement for an examiner to set forth grounds for not making any third party proposed rejections (as required in existing Section 1.949) upon a determination of patentability of all claims (which would only be covered in Section 1.953 in the proposed rules).

In view of the above comments, we request that the PTO not adopt the proposed amendments to Sections 1.949 and 1.953.

Sincerely,

A handwritten signature in cursive script that reads "John K. Williamson". The signature is written in black ink and is positioned above the printed name and title.

John K. Williamson
President