

PUBLIC PATENT FOUNDATION

Representing the Public's Interests in the Patent System

PUBPAT

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VIA ELECTRONIC MAIL
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United States Patent and Trademark Office
Office of Congressional Relations
Room 902
2121 Crystal Drive
Arlington, VA 22202
ATTN: Anggie Reilly, Inter Partes Reexam

Re: Request for Comments and Notice of Round Table Meeting Regarding
The Equities of Inter Partes Reexamination Proceedings, 68 Federal
Register 75217 (December 30, 2003)

Madam:

The Public Patent Foundation ("PUBPAT") is a not-for-profit legal services organization working to protect the public from the harms caused by wrongly issued patents and unsound patent policy. PUBPAT provides the general public, particularly those persons or businesses otherwise deprived of access to the system governing patents, with representation, advocacy and education. PUBPAT appreciates the opportunity to offer comments in response to the *Request for Comments and Notice of Round Table Meeting Regarding The Equities of Inter Partes Reexamination Proceedings* set forth in the above referenced request ("Request").

All Enforceable Patents Should be Eligible for Inter Partes Reexamination

Our patent system is in crisis because too many enforceable patents should never have been granted. See David Streitfeld, *Note: This Headline is Patented*, L.A. Times, February 7, 2003 (quoting James Rogan, Director of the PTO, "This is an agency in crisis, and it's going to get worse"; further stating "Crisis is a strong word," the American Intellectual Property Law Association has noted in correspondence, 'but we believe that it aptly describes the situation'); John R. Allison & Mark A. Lemley, *Empirical Evidence on the Validity of Litigated Patents*, 26 AIPLA Q.J. 185, 205-206 (1998) (demonstrating that 46% of patents litigated to judgment on validity issues are held invalid). Inter partes reexamination proceedings have the potential to become a significant mechanism for dealing with the crisis in patent quality, because they may very well provide a relatively efficient, affordable, and equitable

way for the public to assist the PTO in assuring that only valid patents remain in force.

However, the potential for inter partes reexaminations to help deal with the patent quality crisis is not being realized because Congress rendered inter partes reexamination proceedings applicable only to patents issuing from an original application filed in the United States on or after November 29, 1999. Pub. L. 106-113, S. 1948, § 4608. This policy decision was unwise and has resulted in severe inequities for potential third party requesters and the public in general who are forced to continue being subjected to patents that would otherwise be proven invalid through an inter partes reexamination. Although these inequities will erode over time, the crisis in patent quality is causing devastating effects to our economy, the public health, and civil liberties right now. Waiting to implement mechanisms that might help resolve the patent quality crisis will only serve to exacerbate it and the harms it is causing. As such, all enforceable patents, regardless of their original application filing date, should be eligible for inter partes reexamination.

Furthermore, the total number of inter partes reexamination proceedings initiated to date is negligible, especially in comparison to the number of patent infringement suits filed since the law creating inter partes reexamination went into effect. This is a perverse result, because one of Congress' specific purposes for creating inter partes reexamination proceedings was to alleviate the courts of the deluge of patent lawsuits. *Request* at 75218, col. 1. Only by making all enforceable patents eligible for inter partes reexamination proceedings will Congress' intent truly begin to be effectuated.

Holders of patents issuing from original applications filed before November 29, 1999 may argue that rendering inter partes reexamination applicable to their patents would be inequitable, because they had no notice, at the time they filed their original patent application, that any resulting patent would potentially be subject to such proceedings. However, inter partes reexamination proceedings are nothing more than a hybrid, or middle ground, between civil litigation and ex partes reexamination, proceedings already applicable to all enforceable patents. Therefore, making inter partes reexamination proceedings applicable to all enforceable patents would not cause any material prejudice to the rights or responsibilities of such patent holders. Further, any prejudice that might be caused to patent holders by such a change in the law would be vastly outweighed by the prejudice currently being suffered by the public due to the patent quality crisis.

However, if Congress or the PTO is sensitive to the concerns of patent holders, a reasonable alternative would be to make inter partes reexamination proceedings applicable to patents issuing from an original application filed prior to November 29, 1999 only if the patent is being affirmatively asserted by its owner. These are the patents of most concern to the public, especially those being asserted through mass-mailings of letters demanding licensing fees purposefully sent to small businesses who can not afford to defend themselves in court. Since they have no

other affordable alternative to deal with the patent assertion, small businesses are either bullied by these patentees into paying license fees or forced to live in fear that they may be sued and put out of business at any time the patent holder so chooses. The ability to file an inter partes reexamination, because it costs considerably less than litigation, would offer these small businesses an affordable and fair alternative. Further, since asserting patents *en masse* places a substantial burden on the public, and small businesses specifically, the owners asserting such patents should not be heard to complain if they must defend their patent's validity in an inter partes reexamination proceeding.

In closing, PUBPAT thanks the PTO for the opportunity to provide these comments and is available to provide any further comments or assistance the PTO might desire.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "D. Ravicher".

Daniel Ravicher
Reg. No. 47,015