HISTORIAN'S CORNER

"As Time Goes By - The Offensive Side of the Patent Bar"

by Dale Carlson

The patent bar is awaking from what seems like a Rip Van Winklean slumber to finally take the offensive with respect to patent reform initiatives that threaten to undermine the patent system for patent users and the general public alike.

A key public policy underpinning of the patent system is its incentive force in facilitating making information available to the public that otherwise would likely be kept as a trade secret. The effect of this policy is to allow readers of the patent to innovate more rapidly than otherwise might be possible. In exchange for the exclusive right associated with the patent, the inventor is required to meet the mandated disclosure requirements, including best mode.

A bill (H.R. 1908) that passed the House on September 7, 2007 would obviate an important reason for complying with the best mode requirement by rendering it not usable as a basis to invalidate a patent lacking best mode disclosure. If that provision of the bill were enacted into law, it would have the real-world impact of diminishing the disclosure value of patents to the public by taking away motivation for inventors to disclose their best mode in the first instance.

On October 31, 2007, patent counsel for GlaxoSmithKline were able to, almost singlehandedly, stop the PTO in its tracks from implementing retroactive final rules that would have set limits on numbers of claims in patent applications, as well as numbers of continuations that could be filed. Thankfully, the AIPLA stepped in with an amicus brief submission, albeit at the eleventh hour. The AIPLA's amicus was supported by a declaration from one of our Association's past Board members, Sam Helfgott.

Dale Carlson, a partner at Wiggin & Dana, serves as the NYIPLA Historian, and as a member of the Board of Directors.

During oral argument in the Eastern District of Virginia, the PTO was represented by a non-patent lawyer. How could a non-patent lawyer have been expected to understand the onerous effect the new rules would have had on patent applicants and the patent bar alike? The non-patent lawyer didn't appear to appreciate that the final rules would have had a substantive, not just a procedural, impact on the rights of patent applicants.

H.R. 1908 contains a provision that would retroactively legitimize the PTO's actions in making the final rules. If this provision were enacted, it would be tantamount to Congress' relinquishing its authority to the PTO in an area encompassing substantive rulemaking. This would be a very bad thing for the future of patent law inasmuch as it would truncate Congressional oversight of PTO actions.

If the PTO's final rules were intended to ease the overburdening that the Office is currently experiencing, due to a large backlog of unexamined applications, it was by no means a direct approach to accomplishing that goal. A direct approach would, of course, have been to hire more patent examiners. Instead, the Office set out to implement a complex set of rules that were largely opposed by the patent bar and patent applicants alike.

We patent prosecutors should be individually and collectively thankful to GSK for doing what it did to prevent implementation of the final rules. However, we can't stop there. Our Association's voice needs to be heard now-both in regard to the GSK case, and in regard to the legislation pending before Congress.

Looking forward to the future, our Association's voice needs to be heard more clearly when it comes time for new appointments to the Federal Circuit, and new appointments to the position of Director of the PTO. The time is right for experienced patent lawyers to once again be placed in those positions, as they were in times not long past.

What is at stake is the future of our profession, and the strength of our patent system. A strong patent system is good for our economy, and, more importantly, it is good for our clients, even clients who don't yet know that, or have been misled into believing that it just ain't so.

Now is the time for our Association to take the offensive!