

PROTECTING THE PUBLIC FROM BELATED PROCESS PATENTS

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Section 102(b) of the patent law provides, in part, that one shall be entitled to a patent unless:

the invention was...in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States....

Earlier in this century, the time limitation was two years.

The public policy rationale behind this kind of provision was two-fold.

First, heretofore, America appreciated that it was in our best interests to try to tailor our laws to serve the real-world needs of innovation, and not just to set bureaucratically convenient or arbitrary rules. Thus, it was recognized to be important for the innovation process that there be an allowed period for public market testing in the United States to permit improving and perfecting the commercial product before committing to the Patent Office.

But second, it was deemed that this period should be compromised with the consideration of the public's right to continue to enjoy such products introduced into the American market, with the expectation that there would be seasonable and diligent pursuing of patent filings should the inventor elect to seek patent protection.

While there do not appear to be court decisions exactly on point, there is at least significant opinion in the patent bar that this one year statute of limitations actually applies (or should apply) to processes actually used to make the product thus put on sale in the United States. One of the rather compelling aspects for this view is that the product manufacturer has actually appropriated or dedicated the process (whether disclosed or not) to a use or sale for the public.

*354 From that consideration, it may, indeed, already be the law that such a process, disclosed or undisclosed, is subject to the same one year statute of limitations on the

filing of a patent application therefor (by the inventor, a subsequent re-inventor, or any one at all). This would track the current patent filing statute of limitations on the product.

Whether this be the law that a court will ultimately confirm or not, our discussion with many inventors and lawyers has led us to conclude that this may be as desirable a public policy as that currently applying to the actual selling of the product to the public, and for similar reasons above discussed.

But there appears to be another compelling reason. Unlike products which we can see, processes, by their very nature and by the nature of their internal and hidden use, disclosed or undisclosed, are a quite different kind of matter, and are far more difficult to uncover, to discover, and even often to comprehend. And this is true whether the inventor has or has not taken protective steps at the plant, as required by trade-secret law, even to qualify the process as a trade secret.

Should the public, once it has purchased products made by a process deliberately used for the creation and sale of such products, not have the same right to continue to receive the products made by such a process after the expiration of the statute of limitations on filing for protection of the product commercially made by such process?

If we answer this question in the affirmative, we rather neatly accomplish another important task. From Academy of Applied Science-MIT-PTC Research Foundation surveys, some earlier reported and some about to be published, it is quite evident that there is considerable opposition to American adoption of the concept of prior user rights, among the independent inventor and small and mid- size company inventive communities, and, at least, seriously divided opinion in the university licensing and large company legal communities.

Yet, there have been recent efforts to try to adopt a limited prior user statute to protect American companies from "submarine" process patents (particularly from abroad) granted for the "re-discover" of old processes that have been in commercial use for many years in the United States in making products sold here for those many years. This is true where the processes, though commercially used here, have not been published and are otherwise undisclosed, and even though no restrictive efforts were made at the manufacturing plant to secure them as trade secrets. The practical difficulties in having to defend litigation with reconstructed prior use and prior art defenses after many years are staggering.

If the 102(b) statute of limitations for filing (by anyone) were to be extended clearly to processes used to make a product put on sale in the *355 United States, such extension would admirably seem to solve this difficulty and without resort to prior user considerations.

A recommended revision of Section 102(b) might read as follows:

[unless] the invention was patented or described in a printed publication in this or foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States. In the event that the invention is a product on sale in this country, an application for United States patent for the process employed in making the product shall not be permitted unless such application for patent for such process shall have been filed in the United States within one year after the placing of such product on sale in this country.

We'd welcome comments, critique and alternative suggestions.

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Commentary

*357 A LEVEL PLAYING FIELD TO PATENT PROTECTION

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"A person shall be entitled to a patent unless . . ." 35 U.S.C. § 102 has apparently been written out of the statute by the United States Patent and Trademark Office (PTO). The onus is repeatedly and virtually entirely placed on applicants to establish their right to a patent rather than on the PTO to establish any lack of right to a patent.

The Commissioner of the Patent and Trademark Office has established extremely severe requirements under 37 C.F.R. § 1.192(c) for appeal briefs of applicants who are dissatisfied with the manner in which the PTO has addressed and resolved issues. Although an Office Action that is made final is supposed to be the PTO's counterpart of an appeal brief, the PTO has taken the position that such an approach places an undue burden upon the PTO, since appeals are taken from only a relatively small percentage of final rejections. In view of the fact that it is only right to expect to have the entire basis of all grounds of rejection fully explained on the record at the time an Office Action is made final, this approach is highly questionable. To relieve the PTO from standards demanded

of applicants may well be regarded as a complete disservice to the very patent system the PTO is established to support. The Examiners, as professionals, should be charged with at least the same degree of professionalism in identifying, addressing and resolving issues as required of applicants.

No Examiner should be permitted to state in an Office Action that is made final or in an Examiner's Answer that he has not been convinced by argument or evidence. There is no statutory requirement to convince Examiners; there is an express statutory provision that a person is entitled to a patent unless specified conditions apply, and the PTO is required to establish that one or more such conditions prevail in order to preclude patentability of each claim so rejected.

*358 Many impediments to patentability are made by Examiners solely because of their lack of competency in the specific art involved or because of their lack of direct working experience in such art. In highly technical fields, the evidence required to "convince" Examiners is often onerous and far in excess of what is reasonable. In dealing with solutions to existing problems, there is virtually no place for "ivory tower" approaches. The PTO in general and the Examiners in particular should be encouraged to assist inventors in obtaining valid patent protection for their inventions in full accord with the very purpose of the patent system. As stated in the opinion for *In re Ruschig et al.*: [n.1]

The basic principle of the patent system is to protect inventions which meet the statutory requirements. Valuable inventions should be given protection of value in the real world of business and the courts.

Some years ago the PTO established a Quality Review Practice presumably for the purpose of improving standards of excellence of the examining corps. Unfortunately, the Quality Review Practice may well have brought about a directly contrary result. Examiners were quick to learn that rejected cases are never reviewed, and Examiners are thus subject to criticism only by allowing applications. Meaningful quality review can only be accomplished by reviewing an equal number of finally-rejected and allowed applications, with the objective of withdrawing the finality of all improperly issued and reviewed final rejections and reopening prosecution thereof even though deadlines may have been exceeded. Only in that way will Examiners understand that there is as much pressure to issue proper final rejections as there is to issue proper allowances. A balanced quality review of the suggested type would significantly reduce the number of appeals and the burden placed on the Board of Patent Appeals and Interferences. What is far more important, however, is that it would go a long way toward improving the quality of examination and satisfying the objectives enunciated in the opinion for *In re Sus and Schaefer*: [n.2]

The public purpose on which the patent law rests requires the granting of claims commensurate in scope with the invention disclosed. This requires as much the granting of broad claims on broad inventions as it does granting of specific claims on more specific inventions. It is neither contemplated by the public purpose of the patent laws nor required by the statute that an inventor shall be forced to accept claims narrower than his invention in order to secure allowance of his patent.

*359 If an Office Action is not made final, as is preferred, the Examiner's Answer should be absolutely required to contain the following items under appropriate headings or be repeatedly (if necessary) remanded to the Examiner until it does:

(1) Issues. The Examiner shall provide a concise statement of the issues presented for review and a complete explanation (with appropriate authority) for any variance from the issues identified in the appeal brief.

(2) Grouping of Claims. It should be un rebuttably presumed that the grouping of claims in an inventor's appeal brief is correct unless a statement is included to challenge such grouping and a clear explanation and supporting reasons are given for each change from such grouping.

(3) Argument. The Examiner shall provide his contentions with respect to each of the issues acknowledged above in subparagraph (1), and the basis therefor, with citations of the authorities, statutes, and parts of the record relied upon. Each issue should be treated under a separate heading. Each and every argument and authority relied upon in support of patentability must be directly addressed and rebutted or the involved issue conceded.

(i) For each rejection under 35 U.S. C. § 101, the argument shall specify each particular requirement of that section of the statute which is in issue, how each such requirement applies to each claim so rejected and shall present supporting authority:

(ii) For each rejection under 35 U.S.C. § 112, first paragraph, the argument shall specify each particular requirement of this paragraph relied upon, explain how each applies to each claim so rejected and present supporting authority;

(iii) For each rejection under 35 U.S.C. § 112, second paragraph, the argument shall specify each particular requirement of this paragraph relied upon, explain how each applies to each claim so rejected and present supporting authority;

(iv) For each rejection under 35 U.S.C. § 102, the argument shall apply the reference relied upon directly to each limitation of each claim so rejected by citing and quoting the exact language of the reference;

(v) For each rejection under 35 U.S.C. § 103, the argument shall explain (with regard to each claim so rejected) how each applied reference is directed to the solution of the same problem as the involved claim and why it would be considered by one of ordinary skill in the art faced with solving such problem, the prior art teaching relied upon to make the particular selection of teachings extracted from each reference relied upon, the prior art teaching relied upon to combine teachings from any combination of references relied upon, and the prior art teaching relied upon to make required selections from any combination of references relied upon;

*360 (vi) For each piece of evidence relied upon in support of patentability, the argument shall point out and explain each perceived deficiency; in order to support any

holding that evidence is not commensurate in scope with that of one or more claims, the argument must explain (for each claim involved) why one skilled in the art would regard a significant portion of the claimed scope as clearly unbelievable from the presented evidence.

When the preceding suggestions are fully implemented, the PTO will have gone a long way toward its Constitutional goal of promoting progress, but there are still further steps that can be taken in that direction. The Examiners should be treated as professionals. In that regard they should be held accountable for their actions. Each time either an allowance or a final rejection is considered inappropriate by Quality Review, the responsible Examiner should be docked a disposal. Moreover, Quality Review should be empowered to review Decisions on Petition (rendered in the prosecution of reviewed applications), to reverse such decisions when such is appropriate, and to keep records on each decision-maker for all reviewed Decisions. Only in this way can there be a consistent accountability at all levels throughout the examining procedure, adequate incentives for Examiners and decision-makers to address each matter with complete professionalism, incentives for Supervisors to review the substance of Office Actions made by those lacking signatory authority, and complete confidence by applicants that their inventions are being accorded fair treatment.

[n.1]. 145 U.S.P.Q. 274, 286 (C.C.P.A. 1965).

[n.2]. 134 U.S.P.Q. 301, 304 (C.C.P.A. 1962).