LITIGATORS CORNER:
Peer to Patent Review: Will it Work?

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In his new book, *Crowdsourcing*, *Wired* editor Jeff Howe describes the advances achieved by loosely collaborative work that is performed by a number of contributing individuals. His first example is a very good one: Linux, the open-source operating system. Mr. Howe describes Linus Torvalds' decision to develop Linux as a free operating system, with thousands of people contributing to it. Linux is now a widely popular operating system which, Howe says, is used in "everything from supercomputers to digital video recorders such as TiVo, to say nothing of the millions of personal computers that run Linux."

Crowdsourcing says:

> What makes open source so efficient? In the broadest of strokes it's the ability of a large number of people to contribute. The open source evangelist Eric S. Raymond famously summed up this fundamental truth when he wrote that "Given enough eyeballs, all bugs are shallow" – which is to say that no problem is too thorny if enough people take a crack at it. Put another way, a large and diverse labor pool will consistently come up with better solutions than the most talented, specialized workforce.

Crowdsourcing then applies this same rationale to patent applications, but unfortunately succumbs to a few canards and misconceptions along the way. For example, Howe says that the PTO only accepted computer science as an appropriate background for an examiner as of 2005. My recollection is that the PTO began hiring examiners with computer science backgrounds in 1994. The Commissioner of Patents stated at a conference in 1994: "Toward this end, we have just changed our standards so that we will hire for the first time computer scientists as examiners."[1]

Second, the book suggests that some examining groups are prohibited from looking at the Internet. This is inconsistent with what I have seen, and with at least some statements by the PTO that say that "an electronic publication, including an on-line database or Internet publication, is considered to be a 'printed publication' within the meaning of 35 U.S.C. § 102(a) and (b) provided the publication was accessible to persons concerned with the art to which the document relates."[2]

Third, *Crowdsourcing* is obviously relying on the inaccurate, second-hand, and rather hysterical media reaction to the *NTP* case, when it states that "NTP threatened to send executives around the world scrambling for pay phones when its suit against Research in Motion (RIM), the maker of the ubiquitous Blackbeery, nearly shut the service down." The real nature of the case is described in several of my columns: "Patent Trolls – Or Not?" (February, 2006), "Is IBM a Patent Troll?" (May, 2006), "Hysteria Lane" (July, 2006) and "People in Glass Houses" (February, 2008). The only reason RIM even approached an injunction was because it ignored the district judge's advice. Mr. Howe might consider studying the NTP inventors, Tom Campana, Michael Ponschke and Gary Thelen. I wish, again and again, that members of the media would spend some time learning about real inventors and their struggles.

I am not sure *Crowdsourcing* appreciates the right a patent grants. In commenting on the number of IBM's lawsuits, the author says that IBM owns twenty-six thousand patents and that the manager of IBM's patent portfolio therefore has "twenty-six thousand targets for rapacious, frivolous, skull-crushingly complex lawsuits." But patents do not grant any positive rights; they only grant the right to exclude. Nor does the existence of a patent mean that its owner is necessarily practicing the invention. Most universities, and companies like IBM, license but do not make or sell the subject matter of many of their patents. Thus, *Crowdsourcing* is incorrect if it means to suggest that every patent that has been issued is a target for a lawsuit. Patents aren't sued; infringers are.

Crowdsourcing relates how David Kappos, an attorney from IBM, and Beth Noveck, a professor at New York Law School, proposed extending the review of patent applications to the public, by posting applications on a website. Any interested person would then be able to comment. The result is the online Peer to Patent Project, developed by the Community Patent Review Project of the Institute for Information Law and Policy at New York Law School.[3] Supposedly thirty-three thousand people so far have submitted 192 prior art references on twenty-five patent applications. At present, it is a pilot project which has been extended for another year.

The focus of the project is certainly on the correct point in the process – i.e., during the original application, so that the job can be done right in the first place. The problem with all the reforms proposed by the Patent Reform Act thus far is that they do not attack the problem at its root, in the original application process, where it can most readily be resolved. Instead, lobbyists (they may call themselves reformers) want things like post-grant oppositions, which cannot work for the reasons I have written about before, in my columns, "Post-Grant Opposition: Building on Sand" (August, 2004) and "What Now? Post-Grant Oppositions and the Proposed Budget" (March, 2005). The Peer to Patent Project rightly aims its work at the original application. Post-grant oppositions are efforts to repair a mistake, not prevent it in the first place.

The Peer to Patent Project does have some very promising features. For instance, only the ten best references are forwarded to an examiner. One of the problems in modern applications is the blizzard of references submitted by prosecuting attorneys, who feel they must pass the buck to the examiner for fear of being accused of inequitable conduct. Peer to Patent seems

to recognize that a limited number of references is generally enough to show what the prior art is. As a submitter, you are not required to use your true name. I can't say I am crazy about this feature, nor am I a fan of other forms of online anonymity. (See "The Cowardice of Anonymous Bloggers," March, 2008.)

The Peer to Patent website has some teaching aids.[4] The tutorial actually says to read the patent application – a refreshing suggestion. There is a short description of what a claim is. It says that the specification doesn't control the scope of the claims, but then recognizes that the specification can indeed influence the scope of the claims. This uncertainty is a problem that Peer to Patent cannot cure.

One of the problems of the Peer to Patent Project that is pointed out in *Crowdsourcing* is the "Gordian knot of conflicting claims." Peer to Patent cannot directly ameliorate any problem in the complexity of claims. The peers aren't writing claims, just making comments. Of course, citing more prior art can make the knot knottier; narrower claims have more limitations and could be more complex and harder to understand.

Peer to Patent is currently limited to computer and business method patents.[5] That's not bad; one has to start somewhere. But it does mean that the patenting process as a whole cannot benefit for now. If this works, it can be expanded to other technical areas.

Unfortunately, the control of the PTO's schedule is something that Peer to Patent cannot improve upon. How long an application takes from filing to issuance is still largely up to the examiner. Like the horse who can be brought to water, some examiners could have prior art served up to them on a platter and would still take their time to read and act upon it.

To succeed, programs like Peer to Patent have to be neutral. One of the complaints on the site is from a person commenting on the shortcomings of software patents. She says that the examiners don't have access to "free and open-source software," called FOSS. Then, oddly, the example that is given of a "stupid" patent isn't of a software patent; it is a method for swinging on a swing. Many of the comments, some of which are cartoons, are stridently anti-patent, showing mobsters with machine guns and attaché cases labeled "software patents," confronting the innocent. If there are so many bad software patents out there, why not use one of them as an example? If there are so many small entrepreneurs, small businesses, or small developers being harassed, why not give us real examples, instead of cartoons? This kind of commentary does not lead one to think of the people who are contributing to Peer to Patent as open-minded. If such a system is to work, bias must not be a part of it.

Video clips from GE and HP on the website are more balanced. Todd Dickinson, speaking on behalf of GE, encourages inventors to participate in the Peer to Patent Project, so that any prior art is flushed out early on, and does not "come back to bite the inventor" later on. Peer to Patent, however, cannot prevent the same or similar references from being cited in a lawsuit. The typical plaintiff-inventor must defend the validity of his invention in the Patent Office, and again in each and every lawsuit brought regarding his patent. Neither Peer to Patent, nor any of the proposed patent reforms, do anything to simplify litigation in that respect.

One of the patents on the Peer to Patent Project website belongs to Blaise Mouttet, an inventor who opted to consent to the review. According to *USA Today*, Mr. Mouttet felt that there were too many lawyers and not enough inventors involved with the patent system.[6] I understand his frustration with lawyers, but I do not agree completely with his view. The problems with patent prosecution and enforcement do not originate with attorneys. They originate with Congress, the PTO and appellate decisions.

Mr. Mouttet's patent was filed in April, 2006. The case is on appeal two and one half years later; no one knows how much longer the process will take. The references relied upon by the examiner do not appear to include any of the eleven references cited in the review of this patent on Peer to Patent. One example isn't enough to determine the worth of Peer to Patent, but the time taken for this application does not appear to have been any shorter than the norm. Nor does the examiner appear to have found the peer-cited art to be as relevant as the art he located in his own search. The value of the peer review, at least in this case, may not be much. However, if Mr. Mouttet's patent application does issue, at least it will have more cited references. That helps in any suit.

On the whole, Peer to Patent is an interesting concept, and a worthwhile experiment. With fine-tuning, and more people participating, it will, I hope, improve the patent system. Much depends on how many people are willing to spend time reading applications and citing art. It can't solve all of the defects that so many people have noted in the Patent Office, but we have to start somewhere. In any case, those defects must be dealt with. Funding needs to be guaranteed, an adequate number of properly trained examiners must exist, and those examiners need to have access to both patent and non-patent literature. Nor can Peer to Patent solve the uncertainties created by appellate decisions that reverse so many claim constructions, and that treat the specification as the claim. But, having the public participate in the patent system is an idea that bears watching. It demonstrates more imagination than the Patent Reform Act. IPT

ENDNOTES

1. Opening remarks of Bruce Lehman at the Public Hearing on Use of the Patent System to Protect Software-Related Inventions, February 10-11, 1994, posted at http://www.uspto.gov/web/offices/com/hearings/software/arlington/va_intro.html.
2. See, for example, "When is an Electronic Document a Printed Publication for Prior Art Purposes?", a presentation to the AIPLA in 2002. The article is posted at http://www.uspto.gov/web/menu/pbmethod/aiplafall02paper.htm.
3. See http://www.uspto.gov/web/patents/peerpriorartpilot.
4. http://www.peertopatent.org/.
5. See http://www.uspto.gov/web/offices/com/speeches/08-26.htm.
6. "Peer-to-Patent Program Taps Wisdom of Masses," September 15, 2008, posted at http://www.usatoday.com/tech/news/techinnovations/2008-09-15-peer-to-patent-crowdsourcing_N.htm.