

STATEMENT OF

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BEFORE THE

**COMMITTEE ON THE JUDICIARY**  
Subcommittee on Intellectual Property

United States Senate

**“Promoting the Useful Arts:  
How can Congress prevent the issuance of poor quality patents”**

OCTOBER 30, 2019

**I. Introduction**

Chairman Tillis, Ranking Member Coons, and Members of the Subcommittee:

It is my pleasure to discuss with you our country’s patent system, and in particular ways to continue to improve the quality of issued patents. I’m testifying today solely on my own behalf. Thank you for focusing on this issue – it is not simple but it is at the core of American’s innovation engine. The patent system is critical to our economic growth, productivity, job creation, global competitiveness and scientific leadership.

## **II. Background**

I worked for a corporation, spent time at the USPTO and spent most of my early career in private practice focusing on patent prosecution. I understand the impact of patents on business. The need for predictability, consistency and certainty are critical to making good business decisions. High quality patents that undergo rigid examination and can withstand subsequent challenges provide business the level of confidence necessary to promote innovation, investment and job creation.

At the outset I would like to mention that I never use the phrase bad patent. The strength of a patent depends on your perspective. To some entities, a problem patent is one that prevents you from doing what you want to do and may require taking a license. There are times when a group of patents have been declared invalid. This is unusual but it most often occurs when there are substantial changes in the law. For instance, the standard for an obviousness determination was modified following KSR. So it is not useful to simply say that a particular patent is bad without providing context.

While patent quality may be in the eye of the beholder, it is in the best interest of both patent owners and patent challengers to have high quality patents. Third party patent challengers should know as soon as possible whether they have

to design around a patent. Designing around may itself result in innovation. Thus patent quality is important to patent owners, patent challengers as well as the public who rely on the jobs that are created through innovation.

Of course, one test of patent quality is the intense review of validity undertaken in litigation or during a post grant proceeding such as an IPR. This review is necessary for a variety of reasons but it may include the fact that the best prior art was not available to the examiner during examination or the law changed in the intervening years. But we do not want to rely exclusively on reviewing the quality of a patent only after it has issued. We also need to focus on front end modifications during examination.

At the outset, I should make it clear that I applaud the efforts of the USPTO to continue to improve patent quality. The USPTO has made patent quality a major priority, launching initiatives and taking executive actions to, among other things, reduce application pendency, enhance prior art search capabilities, bolster examiner training, increase clarity of the record, enhance transparency, and calibrate examiner incentives. The USPTO is thinking ahead. They currently listed a job posting for a Senior Level Artificial Intelligence Technical Expert to assist with the identification of prior art.

We must also be practical. The USPTO does not have unlimited resources. The USPTO announced a notice of proposed rulemaking on July 31, 2019 involving setting and adjusting patent fees during fiscal year 2020. The USPTO is completely user fee funded so any increase in costs are the responsibility of the user community.

### **III. “Crowd-Sourcing” the Search for Prior Art and Examination**

The USPTO has a peer search collaboration pilot program that pairs US examiners to both independently search and then share their work product. Collaboration between examiners can increase the quality of examination.

I am particularly interested in international work sharing. An international collaborative search pilot program is underway. In addition, examiners are being trained on use of the Global Dossier. Examiners can review prior art and consider the rejections being made in other countries. US examiners should be encouraged to share the results of their search and examination with counterpart patent offices. Patents are a global commodity that should be viewed from a global perspective.

Further, the diverse language capabilities of each of those patent offices is beneficial in identifying prior art, especially using non-English language databases to identify both patent and non-patent literature.

#### **IV. Continue Moving Toward Patent Harmonization**

The different laws in each country concerning patent examination make it difficult to compare work product. While complete patent harmonization may be a long way off, it is still worth the effort to harmonize as many procedural and substantive aspects of examination as possible.

#### **V. AIA Third Party Submissions**

The AIA brought many good changes to patent law. One of those changes is the opportunity for third parties to identify potentially relevant prior art so the examiner has the best prior art available early in examination. Alas, few third parties take advantage of this opportunity. We need to consider a way to encourage third party submissions. At this time, many third parties do not think that it is worth the effort to bring material prior art to the examiner's attention because it may have less of an impact during litigation and *inter partes* review.

#### **VI. CONCLUSION**

High quality patents are critical for the user community and the public.

Mr. Chairman, thank you again for the opportunity to share my thoughts this afternoon.