AMERICAN BAR ASSOCIATION

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February 18, 2009

The Honorable Patrick J. Leahy
Chairman
Committee on the Judiciary
U.S. Senate
Washington, D.C. 20510

The Honorable Arlen Specter
Ranking Member
Committee on the Judiciary
U.S. Senate
Washington, D.C. 20510

Dear Chairman Leahy and Ranking Member Specter:

I am writing to express the views of the Section of Intellectual Property Law of the American Bar Association on an important ongoing issue in patent law reform, the treatment of inequitable conduct in proceeding in the United States Patent and Trademark Office (PTO). These views have not been considered by the ABA House of Delegates or Board of Governors, and should not be considered to be views of the Association.

Numerous proposals were considered in the 109th and 110th Congress on this issue. Most of these proposals sought to provide clearer boundaries and guidelines for courts in administering the legal defense that a patent claim should not be enforced because the patent in question was received through inequitable conduct. Other proposals were advanced in the second session of the 110th Congress which would eliminate the defense in court proceedings, and substitute administrative proceedings in the PTO in which patents challenged on inequitable conduct grounds would be subject to reissue proceedings.

The Section believes that the defense should be reformed and retained, rather than eliminated in favor of administrative proceedings in the PTO.

The Section believes that the defense of unenforceability of a patent based on inequitable conduct in the United States Patent and Trademark Office ("PTO") should be predicated on principles of common law fraud. In accordance with these principles, any judgment of such unenforceability should be entered only upon proof, by clear and convincing evidence,

(1) that a person having a duty of candor and good faith to the PTO in connection with the patent or an application therefor knowingly and willfully misrepresented a material fact or material information to the PTO or omitted a known material fact or known material information from the PTO;

(2) that, in the absence of such misrepresentation or omission, the PTO, acting reasonably, would not have granted or maintained in force at least one invalid patent claim; and

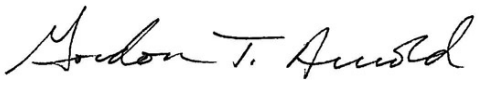
(3) that the misrepresentation or omission occurred with a specific intent to deceive the PTO, and that such intent cannot be established by the mere materiality of the misrepresentation or omission.

We also believe that, in considering whether to hold a patent unenforceable based on an applicant's alleged inequitable conduct, courts should not find information to be material if it would not have been material under statutory and regulatory standards applicable during the prosecution of the application(s) for the patent or its reexamination.

Finally, the Section of Intellectual Property Law opposes basing an inequitable conduct defense on any conduct that did not substantially affect the validity, scope, or duration of one or more claims of the patent.

We hope that you find these views useful as you work for resolution of this important and complex issue, and stand ready to provide any further assistance that you may request.

Sincerely,



Gordon T. Arnold
Chair
Section of Intellectual Property