

PIPLA NEWS

The official newsletter of the Pittsburgh Intellectual Property Law Association

PROPOSED \$125 MILLION GOOGLE SETTLEMENT AGREEMENT

Kathryn M. Cooper – BECK & THOMAS, P.C.

The goal of Google Books Search was to digitalize 15 million books by partnering with several large libraries including the New York Public Library and the University of California, Michigan, Wisconsin, and Stanford libraries. Google Book Search, however, met adversity from authors, publishers, and government entities.

The Authors Guild, Inc., et al. v. Google Inc., Case No. 05 CV 8136 (S.D.N.Y.), is a class action lawsuit brought by authors and publishers against Google Inc., claiming that Google violated their copyrights by scanning their books, creating an electronic database, and displaying short excerpts in Google Book Search without the permission of the copyright holders. Google denied the claims.

The parties reached a proposed settlement agreement of \$125 million that includes compensating authors and publishers whose books are still under copyright.

Under the agreement, Google will have a framework for the future in which Google will pay authors and publishers from book sales and advertising revenue. According to Google the settlement agreement will, inter alia, help define how users access different categories of books.

For in-copyright and in-print books, this agreement lets authors and publishers turn on the 'preview' and 'purchase' models that make their titles more easily available through Book Search. For in-copyright but out-of-print books, every out-of-print book that Google digitizes will become available online for preview and purchase, unless its author or publisher chooses to "turn off" that title. The agreement will not affect how Google displays out-of-copyright books, as Google will continue to allow

Book Search users to read, download and print out-of-copyright titles.

See <http://books.google.com/googlebooks/agreement/>

In response to the proposed settlement agreement, the United States District Court for the Southern District of New York received over 400 submissions including objections to the proposed settlement, statements in support of the proposed settlement, and briefs from amici curiae, all of which were uploaded to the Court's electronic filing system. Due to the large public interest in the case and the volume of submissions, the Court issued an Order on September 16, 2009 regarding procedures for the Fairness Hearing that was to be held on October 7, 2009. The Court postponed the Hearing while the parties continue negotiations.

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DIRECTOR KAPPOS DESCRIBES HIS VISION OF THE PTO IN THE SECOND DECADE OF THE 21ST CENTURY

Matt Johnson – Jones Day

Former vice president and assistant general counsel, intellectual property law, for IBM, David J. Kappos, was confirmed to the post of Under Secretary of Commerce for Intellectual Property

and Director of the USPTO on August 7, 2009. Director Kappos, who has served on the board of directors of the AIPLA, Intellectual Property Owners Association, and the International Intellectual Property Society, was sworn into office on August 13th, taking the place of Jon Dudas, who has since moved on to the Washington, D.C. office of Foley & Lardner.

During the first six weeks of his tenure, Director Kappos has participated in several discussions, describing his vision for the Patent Office going forward. In a speech to the Intellectual Property Owners Association, the new head of the PTO described his desire to implement process-focused reform in an attempt to drop application pendency and increase examination effectiveness. One such proposal suggests a reworking of the patent examiner count system, a major factor in an examiner's job rating, to better reflect the quality of an examiner's work and to discourage poorly thought out rejections made for the sake of garnering count credits.

In a further bid to reduce the number of applications waiting for examination, Mr. Kappos suggested ways to conclude examinations in less time, accelerate examination of important cases, and encourage abandonment of "worthless cases" prior to examination. The Director suggested expansion of the pre-first-office-action interview program, a program that has previously been piloted to mixed reviews, as a mechanism to quickly focus examination on the important issues in each case. He also has floated a mechanism by which one application deemed valuable to an applicant could be moved up in the examination queue in exchange for the abandonment of another application prior to a first Office action. Such a proposal may reduce the number of first Office actions that must be authored by examiners, as first actions tend to be the most time intensive based on the need to perform a thorough prior art search. However, some have raised concerns about the ability for some organizations with a large number of filings to effectively buy their place at the head of the line, while smaller filers having less resources may lack such an opportunity.

Director Kappos has also signaled a potential desired change in attitude of the examining corps.

In an e-mail to patent examiners, Mr. Kappos stated:

One key is to expeditiously identify and resolve issues of patentability—that is getting efficiently to the issues that matter to patentability in each case, and working with applicants to find the patentable subject matter and get it clearly expressed in claims that can be allowed. The examiner and the applicant share the responsibility for the success of this process.

On the subject of quality, there has been speculation in the IP community that examiners are being encouraged to reject applications because a lower allowance rate equals higher quality. Let's be clear: patent quality does not equal rejection. In some cases this requires us to reject all the claims when no patentable subject matter has been presented. It is our duty to be candid with the applicant and protect the interests of the public. In other cases this means granting broad claims when they present allowable subject matter. In all cases it means engaging with the applicant to get to the real issues efficiently—what we all know as compact prosecution.

When a claimed invention meets all patentability requirements, the application should be allowed expeditiously. ... [B]y engaging with applicants early on, we certainly can get to the point more quickly, and efficiently allow those claims that are entitled to patent protection.

Mr. Kappos was also asked about the continued pursuit of the continuation rules at issue in the *Tafas v. Dudas* pending appeal. Director Kappos noted his history of opposing the rules package, but stated that he likely could not withdraw the appeal. This is due to the important administrative law issues, including deference given to agency rule making, involved in the case. Because other agencies have a high interest in those issues, the executive branch will likely continue pursuit on the appeal. While implementation of the continuation rules package is highly unlikely based on Director Kappos' unfavorable attitude to the rules, a win for the Patent Office could pave the way for

implementation of other rules, such as those regarding information disclosure statements and appeals procedures.

While Director Kappos' early comments suggest a period of exciting changes for the Office, the coming year will be telling as to the extent that he is able to affect the momentum of the Office toward his vision.

USPTO ANNUAL INDEPENDENT INVENTORS CONFERENCE SET FOR 5-6

The USPTO's headquarters in Alexandria, Virginia will be the site of the 14th annual Independent Inventors Conference on November 5-6. The two-day event will include a pre-conference for first time attendees on the evening of November 4.

The USPTO's new director, David Kappos will deliver the keynote address on November 5. As always the conference will provide a wealth of information about patents, trademarks and intellectual property protection. Experts from the USPTO will conduct breakout sessions and be available for one on one meetings. There will also be lots of opportunity for attendees to network during breaks and at the opening night reception. The reception will be co-sponsored by the American Intellectual Property Law Association and the Intellectual Property Owners.

The conference is valuable for both novice and experienced inventors. For more information, visit www.uspto.gov

THE CUTTING EDGE

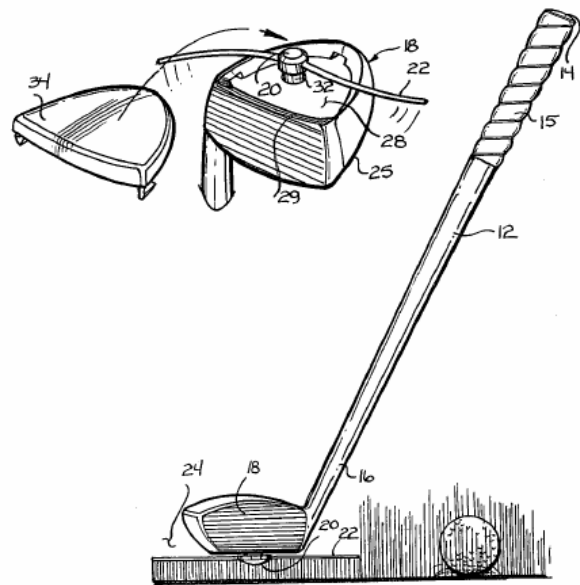
In The Cutting Edge, we break down the best of the best pending patent applications and recent patent grants to give you a preview of the next great invention that is coming soon to your neighborhood. For example...

Weed Cutting Golf Club

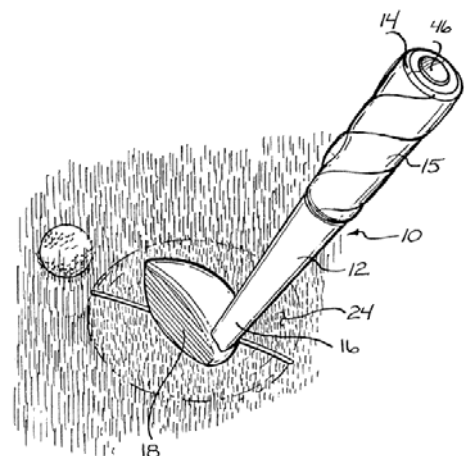
(U.S. Patent No. 6,988,954)

Tired of yet another bad lie buried in the tangled mess of an 18-inch rough?? Needing a way to get up and down after a wayward drive to avoid losing another \$20 to your overcompetitive weekly match

opponent?? Then John Buell and Troy Nowell's Weed Cutting Golf Club is just for you!



The Weed Cutting Golf Club combines slight-of-hand with space age weed-whacking technology to offer you the opportunity to improve your lie, and your game. The secret is in the club's bottom plate 34 that is removably attached to a bottom of the club head. The bottom plate conceals a compartment 26 having an opening 28 directed downwardly away from the top surface of the cutting golf club. Removing the bottom plate reveals a rotating hub 20, very similar to very weed-whacking devices popular in home yard detailing applications. Rapid rotation of hub 20 spins cutting members 22 in a cutting zone 24 for cutting weeds, which may include conventional weeds, grass, shrubbery, etc.



The Weed Cutting Golf Club may be gas or electric powered and may be controlled by an on-off switch (not shown). The club offers a unique opportunity to discretely remove unwanted grass-impediments threatening to cost you yet another match.

While the advancement of colder temperatures may be signaling the near end of this season's play, the Weed Cutting Golf Club makes a great holiday gift that will enable your favorite golfing loved one to start next year off on the right foot towards a lower handicap and highly improved golfing experiences.

FROM THE NEWSLETTER COMMITTEE

We hope you've enjoyed this issue of the 2009/2010 PIPLA News, an informative and hopefully entertaining look at the goings on in IP law. We invite our entire readership to contribute to this endeavor with articles, announcements, and job postings of your own. If you have something you would like included in PIPLA News or have questions about how you can contribute, please contact Matt Johnson at 412-394-9524 or at mwjohanson@jonesday.com.

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