

QUT Digital Repository:
<http://eprints.qut.edu.au/>



This is the author version published as:

Fitzgerald, Brian F. and McEniery, Benjamin J. and Webbink, Mark H.
(2010) *The peer-to-patent initiative : revitalizing patent examination with peer review*. NCURA Magazine.

Copyright in the text is owned by Ben McEniery and Brian Fitzgerald

The Peer-to-Patent Initiative: Revitalizing Patent Examination With Peer Review

Professor Brian Fitzgerald and Ben McEniery
Law Faculty, Queensland University of Technology, Brisbane, Australia
Peer-to-Patent Australia: www.peertopatent.org.au

Professor Mark Webbink
Center for Patent Innovations, New York Law School
Peer-to-Patent: www.peertopatent.org

Every day we hear someone complain that this or that patent should not have been granted. People complain that the patent system is now a threat to existing business and innovation because the patent office grants patents for inventions that are neither novel nor non-obvious with alarming regularity. People argue that the patent office cannot keep up with the job of examining the backlog of hundreds of thousands of patents, and that even if it could, the large volumes of prior art literature that need to be considered each time a patent application is received make the decision as to whether a patent should be granted a treacherous one.

That the patent system is failing in this way is unsurprising. Patent law is a complex area of the law and the number of patent applications filed each year is truly staggering. The USPTO, for example, has in recent years received more than 420,000 patent applications annually and has a backlog of more than 1 million applications. Similarly, the Japan Patent Office (JPO) receives over 400,000 patent applications each year and has a backlog of more than 750,000 applications.

Short of abandoning the patent system altogether, which is not a realistic proposition, the best immediate solutions that have been struck upon involve improving the system incrementally. Small steps rather than giant strides are called for. In this vein, projects that look at how we might harness and share our collective knowledge to enhance the patent system have emerged. For example, organizations including the USPTO, Google, Cambia and the EPO, have moved to provide better public access to pending applications and granted patents. Cambia, through its Patent Lens initiative, has gone even further proposing the development of extensive publicly accessible patent landscapes that explain where various biotech patents fit alongside related technologies.

From yet another direction we have seen the attempt through Peer-to-Patent to utilize the power of collaboration made possible by the “network” (sometimes referred to as “crowd sourcing”) to augment the examination of patents. Peer-to-Patent allows self-selecting members of the public to assist the patent examiner by putting forward relevant prior art, and possibly locating that “needle in a haystack” that ultimately invalidates a patent.

The rise of Peer-to-Patent is well documented by its founder Professor Beth Noveck of New York Law School in her recent book, *Wiki Government* (2009). In her book, Noveck recounts the pioneering steps she and others, like Manny Schecter from IBM and Jack Harvey from the USPTO, took to make Peer-to-Patent a reality. But, what

Noveck really wants us to understand is that Peer-to-Patent is merely an exemplar of a new methodology for government administration known generally as Gov 2.0. Gov 2.0 is the use Web 2.0 technology and practices, including “crowd sourcing” (what she calls collaboration), to provide new opportunities for government to engage and work with citizens. This revitalization of participatory democracy finds its most recent expression in President Obama’s Open Government Initiative which you will not be surprised to learn has been driven by Beth Noveck, now the Obama administration’s Deputy Chief Technology Officer.

How Peer-to-Patent Works

Although in no way a complete solution to the predicament patent law finds itself in, the Peer-to-Patent model provides considerable advantages over existing modes of patent examination. At present, patent applications are examined by a single patent examiner under a closed model of governmental administrative decision-making that is largely devoid of public scrutiny. This involves asking whether what has been claimed by the applicant has been done before anywhere in the world (novelty) and whether it would have been obvious to a person skilled in the relevant field of technology.

The project involves the use of an interactive web-based forum that allows self-selecting members of the public to review participating patent applications and submit relevant prior art references in order to assist patent examiners assess the novelty and inventiveness of participating patent applications. Each patent application remains open for peer review for a period of 90 days. During that time, members of the community can submit prior art references and comment on the relevance of any prior art that has been put forward. At the end of each application’s review period, the prior art identified by the community of reviewers is forwarded to the patent office to be considered when the patent application in question is examined. To prevent the patent office being overburdened by prior art, only the 10 most relevant prior art documents, as selected by the community of reviewers for each patent application, are forwarded to the patent examiner.

It is important to note that in no way does the Peer-to-Patent process alter the responsibility of a patent examiner to assess a patent application. The only difference it creates is that the examiner is given a report that contains prior art documents he or she might not have otherwise located. The examiner will consider all the prior art submitted by the community of reviewers in addition to the results of his or her own searches in making a determination on patentability of an invention.

Benefits of the Project

The principal benefit of the project to the general public and innovators alike is that improving the quality of issued patents leads to clearer patent landscapes and reduces uncertainty surrounding freedom to operate. Patent applicants also benefit from Peer-to-Patent. The benefit to participating applicants is that their applications will undergo a more rigorous examination against the strictures of novelty and non-obviousness than they would receive without the benefit of the insights of the crowd, and are likely to be more robust as a consequence. More robust patents are less likely to be litigated or disputed in licensing discussions. In addition, the identification and elimination of

weak claims early in the examination process ultimately saves the applicant money by avoiding the expensive process of pursuing or enforcing non-meritorious patent claims. Ultimately, it is anticipated that open peer review will encourage applicants to file applications that are better constructed and more clearly drafted.

Peer-to-Patent may be of value to university technology transfer officers as a means of signaling potential obstacles to successful patent prosecution. Unlike large corporate patent offices that have substantial operating budgets for patent prosecution, university technology transfer officers are often limited in their financial resources for patent prosecution. As a consequence, patent prosecution in a university setting may be hampered by imperfect information about the state of the art a patent may have to compete with. The sooner a technology transfer officer can determine the likelihood of validity and breadth of claims, the better. This is where Peer-to-Patent steps in. If a patent application quickly draws attention and draws substantial prior art assertions from reviewers, the technology transfer officer may be in a better position to assess whether continued prosecution is worthwhile. Thus, Peer-to-Patent may lend itself to improving tech transfer efficiency and financial performance.

Implementation in the US and Japan

So far, two Peer-to-Patent pilot projects have been run in the United States, one has run in Japan, and has run in Australia. The New York Law School (NYLS) launched the first Peer-to-Patent pilot project in collaboration with the United States Patent and Trademark Office (USPTO) back in June 2007. Over the course of two years, the project attracted in excess of 2,600 registered peer reviewers who reviewed 187 patent applications. In approximately 10% of cases, the USPTO relied on prior art submitted by the community of reviewers to reject one or more claims. Results from the Japanese pilot are comparable.

Feedback from the USPTO indicated that 69% of patent examiners surveyed think that a program like Peer-to-Patent would be successful if incorporated into regular office practice and 67% of examiners believe Peer-to-Patent would be helpful in doing their job.

The USPTO and NYLS are now working through plans for a third pilot, possibly commencing in September 2010. This third pilot would expand the technology subject matter areas that are eligible to participate while tightening the review period to make it more efficient.

Implementation in Australia

Peer-to-Patent Australia, a joint initiative of the Queensland University of Technology and IP Australia, the government instrumentality that houses the Australian Patent Office, was launched on 9 December 2009. Peer-to-Patent Australia initially ran as a six-month pilot, the object of which was to test whether an open community of reviewers could effectively locate prior art that might not otherwise be found by the patent office during a typical examination in a jurisdiction outside the United States. The Australian project followed the model created by the New York Law School closely, even using the same software platform. 31 business method, computer software and related patent applications filed in Australia were peer reviewed. Early

indications from the project are that, as a concept, the Peer-to-Patent model is viable in a small jurisdiction such as Australia.

In response to the 31 patent applications that were put forward for peer review, Peer-to-Patent Australia's community of volunteer reviewers had, towards the end of the six-month pilot period, submitted 106 items of prior art. At this stage we do not have any information describing the use the patent office within IP Australia has made of the prior art identified in examination.

Concluding Remarks: The Future for Peer-to-Patent

Peer-to-Patent has shown that through the Web, it is possible to rally communities of motivated citizen experts to engage with government and volunteer their time to act for the public good to achieve better outcomes. It demonstrates that using the power of the web to help reinvigorate public administration, and patent administration in particular, is something we will see more of.

What remains to be seen is whether Peer-to-Patent can be applied more generally in patent administration and whether the patent office will take the concept in-house and make it a part of regular office practice, as opposed to being outsourced to a university as at present.

A second order issue concerns the global connectivity of the Peer-to-Patent platform. That is, whether the future of the project will cause the current model of jurisdiction-specific or country-based projects to make way for a combined international platform housing patent applications filed in jurisdictions all around the world. Such an approach makes sense given that the vast majority of patent applications filed today are filed in multiple jurisdictions. If such a global approach were adopted, it is logical that the World Intellectual Property Organization (WIPO) should play a role.

As pioneering practitioners in this space we encourage you to learn more about Peer-to-Patent. While we may not revolutionize the patent system, the opportunity to contribute to some small steps that might make it a little more robust should be incentive enough for all of us to reflect upon what is a thought provoking approach.