

IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF VIRGINIA
Alexandria Division

TRIANTAFYLLOS TAFAS,)	
)	
Plaintiff,)	
)	
v.)	1:07cv846-JCC-TRJ
)	
JON W. DUDAS, et al.)	
)	
Defendants.)	

CONSOLIDATED WITH

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SMITHKLINE BEECHAM CORPORATION, et al.))	
)	
Plaintiffs,)	
)	
v.)	1:07cv1008-JCC-TRJ
)	
JON W. DUDAS, et al.)	
)	
Defendants.)	

**REPLY MEMORANDUM OF *AMICUS CURIAE* AMERICAN
INTELLECTUAL PROPERTY LAW ASSOCIATION IN
SUPPORT OF ITS MOTION FOR LEAVE TO FILE *AMICUS BRIEF***

Refusing to acknowledge and respond to serious public-interest concerns that surround new rules scheduled to take effect on November 1, 2007 (the “new Rules”), Defendants U.S. Patent and Trademark Office (“PTO”) and Jon W. Dudas have asked the Court to deny leave to file an amicus brief requested by *Amicus Curiae* American Intellectual Property Law Association (“AIPLA”). Defendants contend, first, that AIPLA’s motion for leave is untimely, and, second, that it presents new arguments not raised by the parties themselves. Neither contention has merit. Defendants have ample opportunity to state their position on the issues raised by AIPLA’s

amicus brief, and those issues focus squarely on the harm to the public interest that will result if the new Rules are implemented now. The public-interest impact has been raised by the GSK Plaintiffs in their motion for injunctive relief, and, as Defendants acknowledge, it is an element the Court must consider in deciding the preliminary injunction sought by GSK. Defs. Mem. in Opp. to Pltfs. Mot. for TRO and Prelim. Inj., Oct. 28, 2007, at 11-12.

I. AIPLA’S Motion for Leave is Timely.

AIPLA submitted its *amicus* brief promptly after becoming aware of the GSK motion and three days *before* Defendants filed their Opposition to that motion.¹ Litigants in this Court generally are accustomed to having a weekend and three business days in which to oppose non-dispositive motions, in accordance with the standard scheduling order. The filing of AIPLA’s *amicus* brief on October 25 thus gave Defendants about the same amount of time to respond to AIPLA’s “public interest” arguments prior to the November 1 hearing on the GSK motion. Rather than join issue on these crucial arguments, Defendants instead elected to direct their efforts at preparing an opposition to AIPLA’s motion for leave, filed a day later on October 26.

The essence of Defendants’ complaint about the timing of AIPLA’s submission is that they would be prejudiced by not having time to respond to the arguments presented by AIPLA. Opp. at 5 (“AIPLA’s late filing has simply left defendants with virtually no time to respond meaningfully to the arguments posed in its brief and, even more prejudicially, the detailed declarations.”). This is sheer hyperbole, nothing more. Indeed, with a total of nine attorneys

¹ The Board of AIPLA gave approval to the preparation of *amicus* brief on October 18, 2007, two days after some of its members learned of the filing of the GSK motion. One of AIPLA’s members volunteered to prepare a draft *amicus* brief over the ensuing weekend and the draft was circulated for comment on Monday, October 22. Declarations also were solicited from several AIPLA Board and *Amicus* Committee members. The AIPLA Board convened via nationwide telephone conference on Wednesday, October 24, and authorized the filing of the *amicus* brief and declarations, with revisions suggested by various members. The papers were finalized and filed on the morning of Thursday, October 25, 2007.

whose names appear on Defendants' Opposition to the GSK motion – three from the U.S. Attorney's Office and six from the PTO (which count does not include the U.S. Attorney and General Counsel of the PTO) – it defies reason to insist that Defendants somehow lack the capacity to respond to the narrowly-focused “public interest” arguments made by AIPLA and its four declarants. Defendants' pleas of prejudice ring especially hollow, coming as they do in the wake of Defendants' October 28 filing of a 39-page Opposition to the GSK motion, supported with four lengthy declarations and almost 700 pages of accompanying exhibits.

No special standard should apply here for the benefit of Defendants. If their massive filing is deemed appropriate and without any prejudicial effect on GSK, which must respond by the October 31 hearing, Defendants can hardly be heard to complain about having to respond to AIPLA's 15-page *amicus* brief and four short declarations illustrating the difficulties that would result from implementation of the new Rules.

Finally, all of the parties appear to agree that the new Rules are likely to have a very significant impact on the public's interest in affording protection for intellectual property. They differ on whether the impact will be adverse, as GSK argues, or favorable, as Defendants contend. Against this backdrop, the views of *amicus curiae* can provide valuable assistance to the Court. The public interest should not be given short shrift when there is time to address this vitally important issue of public policy. None of the authorities cited by Defendants supports their contention that leave to participate should be denied under the circumstances present here. Indeed, in two of the three decisions Defendants cite for this point (Opp. at 3-4), the court actually granted leave to participate as *amicus curiae*, and in the third, the court did not rest its denial on timeliness grounds. *Cnty. Ass'n for Restor. v. DeRuyter Bros. Dairy*, 54 F. Supp. 2d 974, 975-78 (E.D. Wash. 1999) (granting leave “on the eve of summary judgment motions”);

Waste Mgm't. of Penn., Inc. v. City of York, 162 F.R.D. 34, 37 (allowing EPA to file *amicus* brief 2 months after close of briefing on summary judgment); *Leigh v. Engle*, 535 F. Supp. 418, 422 (denying *amicus* application on other grounds without reference to timing of request).

II. AIPLA's Brief Focuses on an Issue Raised by GSK.

As noted in AIPLA's opening Memorandum, at 2, AIPLA filed its *amicus* brief to inform the Court that the irreparable harm and public injury stemming from retroactive application of the new Rules identified by the GSK Plaintiffs also will be suffered across the technology spectrum and by innovators of all sizes. The *amicus* cases cited by AIPLA (Mem. at 2) in the opening Memorandum confirm that is exactly the type of role AIPLA can and should fulfill.

The critical issues were framed by the GSK Memorandum in Support of Plaintiffs' Motion for a Temporary Restraining Order and Preliminary Injunction ("GSK's Brief"). As noted therein, the PTO had long been on notice, from more than five hundred "almost uniformly negative" comments to the effect that the proposed rules "would damage their businesses and stifle innovation." *Id.* at 9 (citing evidence).² GSK then explained, in Section III.C(3), that it will be harmed because the new Rules will retroactively change the legal consequences of already-filed continuing applications and patent prosecution strategies. Indeed, in section III.D, GSK explained why the retroactive application of the new Rules will cause it irreparable harm, citing the Knowles Declaration. GSK Brief at 27-28.

AIPLA's *amicus* brief informs the Court that the GSK Plaintiffs will not be alone in suffering irreparable harm; the harm flowing from retroactive application of the new Rules is harm that innovators will suffer across the technology spectrum in the absence of injunctive

² These issues were brought to the PTO's attention by AIPLA and others in 2006. *See* Comment Nos. 34, 36, 43, 332, 336, 337; AIPLA letter dated April 24, 2006 available at <http://www.aipla.org/Content/NavigationMenu/IP_Issues_and_Advocacy/Comments/Comments.htm#pto>

relief. While AIPLA did not believe any declarations were required to support its informed views as *amicus curiae*, and did not cite any declaration evidence in its brief, it did tender four exemplar declarations discussing irreparable harm that will flow in just two businesses in areas of technology different from those of GSK and as identified by one very experienced practitioner. Defendants contend these declarations, although not the brief itself, raise new arguments. Opp. at 6-7.

Defendants unfairly characterize the Magen, Hetz and Kappos declarations as “criticizing the implementation of 37 CFR § 1.78(f).” Opp. at 7. In fact, the Megan and Hetz declarations do no more than explain why Sandisk, a company in a very different area of technology than GSK, will suffer immediate and irreparable harm from the retroactive impact of the new Rules, and they provide sufficient factual bases so as not to be attacked as conclusory. In similar fashion, the Kappos declaration explains why IBM, also a company in a very different area of technology than GSK (and Sandisk), will suffer immediate and irreparable harm from the retroactive impact of the new Rules, and likewise provides sufficient factual basis so as not to be attacked as conclusory. These declarations were submitted as exemplars to put two additional faces on the spectrum of businesses that will suffer irreparable harm under the new Rules – an issue and argument directly raised by GSK. *See* Knowles Declaration ¶¶ 20-39, 47.

AIPLA’s Helfgott declaration also states that the new Rules will cause immediate and irreparable harm to Mr. Helfgott’s clients’ ability to protect their intellectual property. He then provides examples of how the harm will arise. Helfgott Decl. ¶ 10 (a-e). Defendants criticize examples (b) – (d), which relate to irreparable harm to companies that have committed to filing strategies that utilize the PTC examination process. Opp. at 7. However, GSK’s Knowles

declaration explicitly refers to PCT filings. Knowles Decl. ¶ 23. Consequently, the Helfgott declaration does not inject new issues or arguments into the case, either.

CONCLUSION

For all the foregoing reasons, and for the reasons stated in AIPLA's opening memorandum, *Amicus Curiae* AIPLA request that the Court grant its motion for leave to file *amicus* brief in accordance with the Order submitted previously.

Respectfully submitted,

James Pooley, *President*
AMERICAN INTELLECTUAL
PROPERTY LAW ASSOCIATION
241 18th Street, South, Suite 700
Arlington, VA. 22202

/s/ _____
Thomas J. O'Brien (VSB 23628)
MORGAN, LEWIS & BOCKIUS LLP
1111 Pennsylvania Avenue, N.W.
Washington, D.C. 20004
Telephone: 202-739-3000
Fax: 202-739-3001
email: to'brien@morganlewis.

Of Counsel
Jerry R. Selinger
MORGAN, LEWIS & BOCKIUS LLP
1717 Main Street, Suite 3200
Dallas, TX. 75201

Dated: October 29, 2007

ATTORNEYS FOR *AMICUS CURIAE*
AMERICAN INTELLECTUAL
PROPERTY LAW ASSOCIATION

CERTIFICATE OF SERVICE

I hereby certify that on this 29th day of October 2007, I electronically filed in Case No. 1:07cv1008-JCC-TRJ a true copy of the foregoing pleading using the CM/ECF system, which will send notification by electronic means to the following counsel of record:

Elizabeth M. Locke, Esq.
Kirkland & Ellis LLP
655 15th Street, NW – Suite 1200
Washington, DC 20005
email: elocke@kirkland.com

Craig C. Reilly Esq.
Richard McGettigan Reilly & West PC
1725 Duke Street – Suite 600
Alexandria, VA 22314
email: craig.reilly@rmrwlaw.com

*Attorneys for Plaintiffs in Case No. 1:07cv1008-JCC-TRJ
and*

Lauren A. Wetzler, Esq.
United States Attorney's Office
2100 Jamison Ave.
Alexandria, VA 22314
email: lauren.wetzler@usdoj.gov

Attorney for Defendants in Case Nos. 1:07cv1008-JCC-TRJ and 1:07cv846-JCC-TRJ

I further certify that on this 29th day of October 2007, I caused a true copy of the foregoing pleading to be served electronically upon:

Joseph Dale Wilson, III, Esq.
Kelley Drye & Warren LLP
Washington Harbour
3050 K Street NW -- Suite 400
Washington, DC 20007
Email: jwilson@kelleydrye.com

Counsel for Plaintiff in 1:07cv846-JCC-TRJ

/s/

Thomas J. O'Brien (VA Bar 23628)
Morgan Lewis & Bockius LLP
1111 Pennsylvania Avenue, N.W.
Washington D.C. 20004
(202) 739-5186 (phone)
(202) 739-3001 (fax)
to'brien@morganlewis.com

Attorneys for *Amicus Curae*
American Intellectual Property Law Association