

**UNITED STATES DISTRICT COURT FOR
THE EASTERN DISTRICT OF VIRGINIA
(Alexandria Division)**

TRIANTAFYLLOS TAFAS,

Plaintiff,

v.

**JON DUDAS, in his official capacity as
Under-Secretary of Commerce for
Intellectual Property and Director of the
United States Patent and Trademark Office
and the UNITED STATES PATENT AND
TRADEMARK OFFICE,**


Defendants.

CIVIL ACTION: _____

PLAINTIFF'S NOTICE OF MOTION FOR A PRELIMINARY INJUNCTION

PLEASE TAKE NOTICE that on Friday, September 7, 2007, at 10:00 a.m. or at such earlier or other time as counsel may be heard, Plaintiff Triantafyllos Tafas will move the Court for an order preliminary enjoining Defendant Jon Dudas, in his official capacity as Under-Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office, and Defendant United States Patent And Trademark Office. The requested relief for which Plaintiff will move is set forth in detail in Plaintiff's Motion for Preliminary Injunction and accompanying Memorandum In Support being simultaneously filed herewith.

Respectfully submitted,

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Dated: August 22, 2007

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PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION

Pursuant to Rule 65 of the Federal Rules of Civil Procedure, Plaintiff Dr. Triantafyllos Tafas ("Plaintiff" or "Dr. Tafas"), through his counsel, Kelley Drye & Warren LLP, respectfully moves for an Order preliminarily enjoining Defendants, the United States Patent and Trademark Office (the "USPTO"), an administrative agency that is part of the United States Department of Commerce, and Jon W. Dudas, in his official capacity as United States Under-Secretary of Commerce for Intellectual Property and Director of the USPTO (collectively the "Defendants"), from implementing Sections 1.75 and 1.78 of certain new federal regulations published by the USPTO at 72 Fed. Reg. No. 161 on August 21, 2007 (with an effective date of November 1, 2007) entitled "Changes to Practice for Continuing Examination Filings, Patent Applications Containing Patentably Indistinct Claims, and Examination of Claims in Patent Applications; Final Rule" (to be codified at 37 CFR Part 1 and sometimes collectively referred to

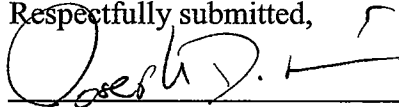
herein as the “Revised Rules”), on the grounds that Defendants exceeded their Congressionally delegated authority and unconstitutionally implemented these new regulations

As set forth more particularly in Plaintiff’s supporting Memorandum of Law and the Declaration of Dr. Tafas, Plaintiff is faced with irreparable injury and Defendants should be preliminarily enjoined from putting the Revised Rules into effect, pending a final decision on the merits of Plaintiff’s claims seeking a declaratory judgment that the Revised Rules are null, void, and without legal effect because they are inconsistent with the United States Constitution and other federal statutory law including, without limitation, the following: (1) Sections 120, 132 and 365 of the Patent Act (35 U.S.C. §§ 120, 132 and 365), inasmuch as Defendants exceeded the rule making authority delegated to the Defendants by Congress and the Revised Rules are contrary to the above statutory provisions; (2) the Administrative Procedure Act, Title 5 of the United States Code, particularly in failing to follow the mandates provided for in 5 U.S.C §§ 553(c) and 706(2), inter alia, by failing to consider all relevant matter presented during the rule making process and promulgating rules that are arbitrary, capricious, an abuse of discretion, not in accordance with law and in excess of the USPTO’s statutory jurisdiction and authority, and contrary to the U.S. Constitution; and, (3) Article I, Section 8, Cl. 8 of the United States Constitution, including by failing “to promote the progress of science and useful arts” and the Takings Clause of the Fifth Amendment, which prohibits the federal government from taking property without due process of law.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff respectfully requests that the Court enter an Order in the proposed form included herewith, enjoining Defendants from implementing the Revised Rules and maintaining the *status quo* pending a final judgment of this Court on the merits, along with such, other, further and different relief as the Court deems just, equitable and proper.

Respectfully submitted,



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**[PROPOSED] ORDER GRANTING
DR. TAFAS' MOTION FOR A PRELIMINARY INJUNCTION**

Having considered the Motion for a Preliminary Injunction submitted by Plaintiff Triantafyllos Tafas ("Dr. Tafas"), the Memorandum in support thereof and all exhibits thereto, all other submissions and arguments concerning that Motion, and the entire record before the Court, and

HAVING FOUND that Dr. Tafas will suffer irreparable harm if an order preliminary enjoining Defendant Jon W. Dudas, in his official capacity as Under-Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office ("Defendant" or "Secretary Dudas") and Defendant United States Patent and Trademark Office ("Defendant" or "PTO") is not issued for the pendency of this litigation in that Dr. Tafas will, and

HAVING FURTHER FOUND that it is manifest, based on the record before the Court, that such harm to Dr. Tafas will be irreparable in that it is likely to be significant, incalculable and not susceptible to monetary compensation, it is this _____ day of _____, 2007,

ORDERED that the aforesaid Motion is granted, and it is

FURTHER ORDERED that Defendant Jon Dudas, in his official capacity as Under-Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office and Defendant United States Patent and Trademark Office, and their officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with them who receive actual notice of the order by personal service or otherwise, are, for the pendency of the litigation of the above-captioned matter:

1. enjoined from implementing federal regulations titled “Changes to Practice for Continuing Examination Filings, Patent Applications Containing Patentably Indistinct Claims, and Examination of Claims in Patent Applications; Final Rule” (to be codified at 37 CFR Part 1), Sections 1.75 and 1.78 (the “Revised Rules”), to be codified at 37 C.F.R. § 1.75 and 178), which were published in the Federal Register, Vol. 72, No. 161, at 46716-46843, August 21, 2007 (the “Revised Rules”)
2. that until said preliminary injunction has been vacated, lifted or otherwise modified, Defendants are ordered to comply with the provisions of the prior rules and regulations previously in effect prior to the enactment of the Revised Rules. The foregoing injunction shall remain in effect pending further Order of this Court or any subsequent court acquiring jurisdiction over this matter; and it is

FURTHER ORDERED that this Order shall expire upon the entry of a final judgment in this matter, unless otherwise ordered by the Court, and it is

FURTHER ORDERED that any party or any person by the preliminary injunction ordered herein may move for modification or dissolution of that injunction.

United States District Court Judge

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CIVIL ACTION: _____

**PLAINTIFF'S MEMORANDUM OF LAW IN SUPPORT OF
MOTION FOR PRELIMINARY INJUNCTION**

PRELIMINARY STATEMENT

Pursuant to Rule 65 of the Federal Rules of Civil Procedure, Plaintiff Dr. Triantafyllos Tafas ("Plaintiff" or "Dr. Tafas") respectfully submits this memorandum of law in support of his motion for a preliminary injunction.

On August 21, 2007, the Defendants, the United States Patent and Trademark Office (the "USPTO"), an administrative agency that is part of the United States Department of Commerce, and Jon Dudas ("Dudas"), in his official capacity as United States Under-Secretary of Commerce for Intellectual Property and Director of the USPTO ("Director") (collectively the "Defendants"), published certain new regulations at 72 Fed. Reg. No. 161 entitled "Changes to Practice for Continued Examination of Filings, Patent Applications Containing Patentably Indistinct Claims, and Examination of Claims in Patent Applications; Final Rule."

Defendants exceeded their Congressionally delegated authority and violated provisions of the U.S. Constitution by enacting Section 1.75 (37 C.F.R. § 1.75 and hereinafter referred to as “Revised Rule II”) and Section 1.78 (hereinafter referred to as “Revised Rule I”) (sometimes referred to collectively as the “Revised Rules”). In this action, Plaintiff seeks a declaratory judgment that the Revised Rules are null and void, along with a preliminary and permanent injunction prohibiting the USPTO from putting the Revised Rules into effect, because they are inconsistent with the United States Constitution and other federal law including, without limitation, the following:

- (1) the Patent Act (35 U.S.C. §§ 2, 120, 132 and 365), inasmuch as they exceed the rule making authority delegated to the Defendants by Congress and are contrary to statute; and,
- (2) the Administrative Procedure Act, 5 U.S.C. §§ 553(c) and 706(2), *inter alia*, because the USPTO failed to consider all relevant matter presented during the rule-making process and promulgated rules that are arbitrary, capricious, an abuse of discretion, not in accordance with law, in excess of the USPTO’s statutory jurisdiction and authority, and contrary to the U.S. Constitution; and,
- (3) the United States Constitution, Article I, Section 8, Cl. 8 by failing to take in consideration in its rule-making the promotion of “the progress of science and useful arts;” and the Fifth Amendment to the United States Constitution, which prohibits the federal government from taking property without due process of law.

RELEVANT FACTUAL AND PROCEDURAL BACKGROUND

Plaintiff Dr. Tafas is an individual inventor on Patent Application Serial Nos. 11/266,948, 11/837,066, 11/837,075, and 11/837,085 (the “Tafas Patent Applications”). (See Declaration of Dr. Triantafyllos Tafas dated August 21, 2007 at ¶ 3) (hereinafter the “Tafas Decl.,” a copy of which is being simultaneously filed herewith). In 1991, Dr. Tafas received a PhD. in Biological Sciences from the University of Athens in Greece. (*Id.*, at ¶ 4.) He authored

his first patent that same year. (*Id.*, at ¶ 4.) He dedicated his research to microscopy, leading him to start a company in 1999 named Ikonisys, Inc. headquartered in New Haven, Connecticut (the “Company”). (*Id.*, at ¶¶ 6-8)

During the next several years, Dr. Tafas traveled back and forth to the United States, while serving as a Visiting Professor at the University of Connecticut and seeking to raise venture capital to continue his microscopy research. (Tafas Decl., at ¶ 6.) After Dr. Tafas personally invested a great deal of time and money in Ikonisys, the Company started to flourish as a result of promising research. (*Id.*, at ¶ 13.) It is believed that the Ikonisys automated microscope will enable the diagnosis of conditions more rapidly than conventional microscopy and could change the world of cancer research and therapies. (*Id.*, at ¶ 15.)

In addition to his innovative microscopy work, Dr. Tafas has also developed an interest in the automotive arts. (Tafas Decl., at 19.) On November 4, 2005, Dr. Tafas caused a patent application to be prepared incorporating his new inventive concepts in the automotive arts. (*Id.*, at ¶ 20.) In the first half of 2007, Dr. Tafas requested that new concepts be added to his patent application through the filing of a continuation-in-part application. Dr. Tafas was advised to file multiple continuation applications based on the USPTO’s proposed rules. (*Id.*, at ¶ 27.) Dr. Tafas chose to file three (3) continuation-in-part applications claiming priority to his original patent, relying on 35 U.S.C. § 120 to provide for further continuations as needed once he was financially able to file the same. (*Id.*, at ¶ 27.). Such filings were finally effectuated on August 10, 2007.

THE LONG-STANDING PRIOR LAW REGARDING
CONTINUATION FILINGS FOR PATENT APPLICATIONS

The Patent Act specifically sanctions the filing of voluntary-divisional continuation applications, continuation-in-part applications, and requests for continuing

examination of applications. Specifically 35 U.S.C. §§ 120 and 365 allow for the filing of voluntary-divisional continuation applications and continuation-in-part applications, while 35 U.S.C. § 132 allows for the filing of requests for continued examination (“RCEs”).

A continuation application is an application that relates back to the filing date of a prior pending patent application filed by the same applicant for purposes of setting the date (the so-called “priority date”) from which the inventiveness of elements of the claims will be adjudged. Prior to the Revised Rules, a continuation application could be framed as a voluntary or involuntary-divisional application, that is, respectively, an application which was caused to be filed by an applicant on the applicant’s own volition, or an application which was caused to be filed by an applicant pursuant to a USPTO determination that the application contained more than one invention (a “restriction requirement”). A divisional-continuation application must include at least some portion of the text preceding the claims (the so-called “specification”) of the parent application. If the entire text preceding the claims of the parent application is included in the divisional-continuation application, without the addition of any more text, the application has been referred to as a “continuation application” or “divisional application.” If the entirety of, or part of, the text preceding the claims of the parent application is included in the divisional-continuation application, with the addition of other text, then the application is referenced as a “continuation-in-part application.” A voluntary-divisional continuation application, which under the Revised Rules are defined as a “continuation application” (redefining the term “divisional” to exclude voluntary divisionals), may seek in its claims subject matter which was not originally sought to be patented in the parent application, but which finds support in the specification of the parent application.

Except under limited circumstances not applicable here, 35 U.S.C. §§ 120 and 365(c) confirm a patent applicant's right to file as many voluntary-divisional continuation applications and continuation-in-part applications as an applicant deems necessary and grants a patent applicant the benefit of the earlier filing date when filing an application for an invention disclosed, but not specifically claimed, in a previously filed application.

35 U.S.C. § 132 allows for the filing of a request for continuing examination ("RCE") of an application, that is a request for continuing the examination of a pending patent application so long as the claims are directed to substantially the same subject matter as originally submitted. 35 U.S.C. § 132(b) requires that the "[USPTO] Director shall prescribe regulations to provide for the continued examination of applications for patent at the request of the applicant." (emphasis added). No right, however, is granted in 35 U.S.C. § 132(b) authorizing the USPTO Director to limit the number of requests for continued examination.

THE RULE MAKING PROCESS FOR AND
ENACTMENT OF THE NEW REVISED RULES

On January 3, 2006 the USPTO published two (2) notices of proposed rule making titled "Changes to Practice for Continuing Applications, Requests for Continuing Applications, Requests for Continued Examination Practice, and Applications Containing Patentably Indistinct Claims" ("Proposed Rule I") and "Changes to Practice for the Examination of Claims in Patent Applications" ("Proposed Rule II") (collectively the "Proposed Rules").¹ See 71 Fed. Reg. No. 1, 48 and 61.

¹ While proffering a number of town meetings to discuss its Proposed Rules, the USPTO specifically declined to hold any public hearings on its new proposals, such action flying in the face of *In re Henriksen*, 399 F.2d 253, 158 USPQ 224 (CCPA 1968), wherein that court noted "that it is for the Congress to decide with the usual opportunity for public hearing and debate, whether such a restriction [i.e., on continuation procedures] ... is to be imposed." *Id.* at 262. (emphasis added).

On August 21, 2007, the USPTO published its final rules in the Federal Register, which were a substantially modified version of the above referenced Proposed Rules at 72 Fed. Reg. No. 161 at 46716. The specific rules being challenged by Plaintiff are found at 37 C.F.R. § 178 (“Revised Rule I”) and 37 C.F.R. § 175 (“Revised Rule II”) (again, sometimes collectively the “Revised Rules”), which will become effective, unless preliminarily enjoined, as of November 1, 2007.

The Revised Rules require that patent applicants who file multiple voluntary-divisional continuation applications (seeking differing inventions flowing from the same initial application) and/or continuation-in-part applications must show to the satisfaction of the Director that the third and following applications in the chain are necessary to advance prosecution. Id. The Revised Rules also limit the right of an applicant to continue prosecution related to a single invention (a so-called “request for continuing examination” or “RCE”). Id.

Specifically, Revised Rule I requires that a third voluntary-divisional continuation application or a continuation-in-part application, be supported by showing by the applicant demonstrating why the amendment, argument, or evidence presented could not have been previously submitted. 37 C.F.R. § 1.78. Pursuant to Revised Rule I, the USPTO will deny an applicant the benefit -- as of right -- of a prior application in all third or subsequent voluntary-continuation application, or continuation-in-part application. Id. The Director is given the ability to deny the voluntary-divisional continuation application or the continuation-in-part application in his subjective discretion, even if the statutory requirements for filing a continuation application have been met. Id. Revised Rule I also limits applicants to only one (1) RCE.

