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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION

TRIANAFYLLOS TAFAS,
Plaintiffs,

v.

JON W. DUDAS, et al.,
Defendant.

Case No. 1:07cv846(JCC/TRJ)

SMITHKLINE BEECHAM CORPORATION,
Plaintiff,

v.

JON W., DUDAS, et al.,
Defendants.

Case No. 1:07cv1008(JCC/TRJ)

**DECLARATION OF BURT MAGEN IN SUPPORT OF AMICUS CURIAE AMERICAN
INTELLECTUAL PROPERTY LAW ASSOCIATION'S BRIEF IN SUPPORT OF THE
GSK PLAINTIFFS' MOTION FOR A TEMPORARY RESTRAINING ORDER AND
PRELIMINARY INJUNCTION**

1 I, Burt Magen, do hereby state the following:
2

3 1. I am a partner at the law firm of Vierra Magen Marcus & DeNiro LLP, and have
4 been practicing patent law since 1992. I graduated from Boston University School of Law in 1992,
5 became licensed to practice law in the State of California in 1992, and became registered to practice
6 before the United States Patent and Trademark Office (“USPTO”) in 1993. My Registration
7 Number is 37,175. My practice includes the preparation and prosecution of patent applications and
8 I have been prosecuting patent applications before the USPTO for over fourteen years. I have been
9 the Chair and a lecturer for the Practising Law Institute’s Advanced Patent Prosecution Workshop
10 for six years.
11

12 2. I have spent a considerable amount of time studying the “Changes to Practice for
13 Continued Examination Filings, Patent Applications Containing Patentably Indistinct Claims, and
14 Examination of Claims in Patent Applications; Final Rule,” published August 21, 2007, 72 Fed,
15 Reg. 46716 (“the new Rules”) and assisted in educating members of my Firm and clients on the
16 new Rules.
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19 3. My firm represents SanDisk Corporation (“SanDisk”) in patent prosecution matters.
20 It is my opinion that the retroactive impact of the new Rules will cause irreparable harm to SanDisk.
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22 4. SanDisk has filed multiple applications with the same or very similar specifications
23 but with different claim sets to provide a spectrum of protection for a set of inventive concepts. My
24 firm is currently prosecuting 235 patent applications for SanDisk that are pending before the
25 USPTO and that have not yet received a first Office Action on the merits. There are 142 patent
26 families represented in these 235 applications. We define a patent family as a set of one or more
27 patent applications that share a common (or very similar) disclosure. 174 of the 235 applications
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1 are in 81 patent families that have multiple applications pending without a first Office Action on the
2 merits. 8 of the 235 applications are in patent families where all other members of the patent family
3 have a first Office Action on the merits. 53 of the 235 patent applications are not in patent families
4 of pending patent applications because either the rest of the patent family issued or the patent
5 application was filed by itself.
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7 5. Under the new Rules, it is my understanding that claims from all applications in a
8 particular patent family are likely to be counted as though they were contained in each application
9 unless SanDisk commits the time and resources to combine the sets of claims into one application
10 and abandon all the other applications in the patent family. (The new Rules provide alternatives to
11 combining sets of claims, but, as discussed below, these alternatives also impose financial and other
12 burdens). To comply with the new rules, 174 of the 235 pending applications without a first Office
13 Action on the merits will need to be combined into 81 patent applications. This entails abandoning
14 93 ($174-81=93$) pending patent applications and adding the claims of those abandoned patent
15 applications to other pending patent applications in the respective patent families. The 8 patent
16 applications in patent families where all other members of the patent family have a first Office
17 Action on the merits will be combined with other patent applications pending in their respective
18 patent families. This entails abandoning these 8 pending patent applications and adding the claims
19 of those abandoned applications to another pending patent application in the same patent family.
20 Thus, we will need to abandon $93+8=101$ applications. We have estimated that on average
21 SanDisk has paid \$1800 in filing fees for each patent application. Therefore, abandoning 101
22 applications will require SanDisk to lose the \$181,800 that it has already paid in filing fees for
23 those patent applications.
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1 6. After abandoning the 101 patent applications, the claims for those patent applications
2 will need to be added to another patent application in the respective patent family. We have
3 estimated that, on average, the extra claim fees that SanDisk will have to pay is \$1300 per claim set.
4 Therefore, it is our estimate that SanDisk will have to pay \$131,300 (101 x \$1300) in extra claim
5 fees to the USPTO to add the claims of the 101 abandoned patent applications to other patent
6 applications in the respective patent family.
7

8 7. When the claims are added to other patent applications, as explained in the previous
9 paragraph, SanDisk will also file Suggested Restriction Requirements (“SRRs”) in the hopes of
10 receiving Restriction Requirements in order to file divisional applications to restore the number of
11 total applications back to the original number of 235. We have estimated that, on average, the cost
12 of filing a divisional for SanDisk’s claims will be \$1500. If all of SanDisk’s SRRs are granted
13 exactly as requested, then SanDisk may file 101 divisionals which would cost approximately 101 x
14 \$1500= \$151,500.
15

16 8. In light of the discussion in the previous paragraphs, we have estimated that the cost
17 to SanDisk for retroactively applying the new Rules to its pending patent applications is \$181,800 +
18 \$131,300 + \$151,500 = \$464,400. This number only represents the costs to be paid to the USPTO.
19 SanDisk would also have to pay attorney fees to prepare and file preliminary amendments to add
20 claims (and any supporting text) from the 101 abandoned applications, attorneys fees associated
21 with the preparation and filing of SRRs , and attorneys fees for preparing and filing divisional
22 applications in response to any Restriction Requirements received in response to the SRRs. These
23 fees and costs represent significant irreparable harm to SanDisk.
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26 9. If the USPTO does not issue a Restriction Requirement for an application or issues a
27 Restriction Requirement for fewer groups than suggested in the SRR, SanDisk may be forced to use
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1 a continuation application (if one is still available) to pursue claims that SanDisk was otherwise free
2 to pursue when the application was originally filed, or SanDisk may be forced to limit the number
3 of claims it is pursuing. For example, if the Examiner does not agree with SanDisk's SRR to divide
4 out two claim sets in an application, SanDisk will be forced to either forego claim coverage of one
5 claim set or use a continuation application to pursue the second claim set. The problem becomes
6 amplified in larger suites. For example, in a suite of six applications where there may be more than
7 15 independent claims, if the Examiner does not agree with SanDisk's SRR, SanDisk may be forced
8 to abandoned some of the pending independent claims given the 5/25 rule. As a result, fewer
9 patents will issue, resulting in retroactive loss of intellectual property by operation of the new Rules.
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12 10. Another aspect of the irreparable harm to SanDisk relates to the timing of the new
13 Rules. There was not enough time between the date that the new Rules were published (August 21,
14 2007) and the date that the new Rules go into effect (November 1, 2007) to combine applications
15 and prepare and file SRRs in every patent family. After November 1st, 2007, if the USPTO mails a
16 Restriction Requirement or a first Office Action on the merits for a patent application before we
17 have the opportunity to combine the various applications and prepare and file the appropriate SRRs,
18 SanDisk will lose its opportunity to do so. This would be immediate irreparable harm (i.e.,
19 irreparable harm that could happen as early as November 1st rather than at some time in the future),
20 as we may not even have a chance to protect all embodiments if the USPTO mails a Restriction
21 Requirement or a first Office Action on the merits before we have the opportunity to perform this
22 immense amount of work.
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25 11. While the new Rules provide alternatives to combining sets of claims into one
26 application, the financial and other burdens imposed by these alternatives make them an impractical
27 option. For example, filing an Examination Support Document ("ESD") or explaining why claims
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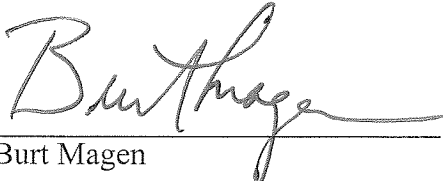
1 are “patentably distinct” is not only expensive but also provides statements on the record that can
2 potentially be used by an accused infringer in formulating its non-infringement and unenforcability
3 defenses.

4
5 12. Another example of the unfairness of the retroactivity of the new Rules
6 concerns Requests for Continued Examination (“RCEs”). SanDisk has used RCEs as part of what
7 was considered the normal back-and-forth prosecution process with an Examiner. However,
8 because of the retroactivity of the new Rules, after November 1, 2007, SanDisk cannot file
9 additional RCEs as a matter of right in those applications or in applications in the same family. The
10 loss of additional RCEs as a matter of right will cause irreparable harm to SanDisk as it will limit
11 SanDisk’s prosecution options in those applications.
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14 13. SanDisk files many of its applications internationally. This international filing, in
15 combination with the many applications filed, provides SanDisk with many prior art searches and
16 prior art that needs to be cited in various patent applications. Because prior art, or other information
17 material to patentability, is sometimes first learned of after paying an issue fee, we sometime need
18 to use an RCE to submit an Information Disclosure Statement (“IDS”). Under the new Rules,
19 SanDisk will not be able to use an RCE to submit an IDS in all situations. This will create
20 irreparable harm to SanDisk.
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22 14. I declare under penalty of perjury that the foregoing is true and correct.
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25 Executed on: October 24, 2007

26 Signed: 
Burt Magen