

From: Rob Sterne [e-mail address redacted]
Sent: Monday, November 07, 2011 12:06 AM
To: aia_implementation
Cc: [e-mail address redacted]
Subject: Post grant review

RGS Comment # 8 (see disclaimer in RGS Comment #1)

Ms. Gongola:

I appreciate the opportunity to provide comments for the Group 2 Proposed Rule Makings. I have reviewed AIA Sec. 6 relating to the - - Post Grant Review - - and would like to provide some comments. These comments are provided in order to raise potential issues for consideration by the USPTO while drafting the rules and regulations, and not to encourage any particular view or outcome. As such, these comments do not necessarily reflect my individual views or the views of my firm - - Sterne, Kessler, Goldstein & Fox, PLLC - - or its clients.

The Office has indicated in public forums that it is leaning in the direction of having very short oral hearings before the PTAB for post grant reviews along the lines of the 20 minute hearings currently imposed by the BPAI in patent interferences. Such short hearings would be a huge mistake and should not be allowed under the rules.

PGR allows the third party petitioner to raise practically every non-patentability defense except best mode. It is this very broad range of possible challenges to patentability that will make the PGR a viable proceeding in lieu of the federal courts. Both sides of such a complex proceeding completed in one year will need the ability to explain their side to the three APJs in the PTAB hearing and to answer the inevitable questions and issues that the APJs will have. These questions and answers and the ability to assess credibility will ensure that the PGR is full, fair and complete much like hearings on these comparable validity issues in the federal courts and the USITC. No judge in these federal court or USITC proceedings would be able to conduct a full, fair and complete hearing on the merits in just 20 minutes and even in the fastest courts in the federal courts (e.g., USDCT EDVA) several hours of hearings at a minimum are devoted to these issues. The APJs will need and want significant time to address these issues and the PGR system must be constructed, staffed and resourced will ample time to address every and all of the issues raised in the PGR.

In the zeal to process PGRs in a year, it is the undersigned's observation that the Office has lost sight of the fact that an issued US patent is at stake in each PGR and that even if no non-patentability defense is proved, any statement made in the proceeding can create claim change, estoppels and/or possible intervening rights. (see, e.g., the recent Marine Polymers decision from the Federal Circuit for the unintended consequences that can attached to an issued US patent by a parallel inter partes reexamination where a claim term is NOT amended.) The patent right must receive the same level of respect in terms of the process that it gets in the federal courts and the USITC and a short hearing should not be conflated with the difference in claim construction and presumptions between the PGR and these other proceedings.

While PGR is not equivalent in many respects to oppositions at the EPO, it is important to remember that there is no 20 minute hearing in oppositions at either of the two opposition hearing levels. Rather, the hearings go as long as the EPO officials and party representatives deem necessary to reach a final decision. Often hearings go all day and into the evening, and there have been hearings that have gone on several days in complex oppositions involving multiple opposers. It would be strange to think that US patents deserve less respect in terms of administrative process than what EPO patents obtain in oppositions at the EPO.

The undersigned has defended over 60 patents in ex parte reexamination interviews at the CRU. Based on this personal experience, the undersigned has come to recognize the fundamental flaw in the current inter partes reexamination process where the Office on its own initiative wrote out all oral hearings and substantive dialogue in the inter partes reexamination process even though the statute

contained no such prohibition. The simple fact is that CRU examiners in each ex parte interview that the undersigned has been in have had fundamental questions and concerns that they want answered. These cannot be effectively address by a paper exchange that is vehicle in inter partes reexams. The undersigned has repeatedly requested that interviews or hearings be allowed in inter partes reexams both with Office officials, at Office roundtables, in speeches and in writings. All of these requests have fallen on deaf ears or are rebuffed by the argument that the CRU cannot control the patent owner and the third party requester as such a hearing or interview. And yet when PGR comes along, the Office has no issue with a perfunctory hearing.

The lack of a hearing in inter partes reexams must be changed and the PGR process must allow for full hearings and not the appellate style hearing that is being contemplated. The PGR hearing before the PTAB is the only opportunity that each side in the proceeding will have to put on their case and build a full and complete record for appeal. Paper is not enough. It is not enough in the federal courts (in even the fastest courts) or the USITC which has comparable fast track timetables. The Office must create a PGR system that allows for these hearings. It is suggested that due to the number of possible patentability issues that can be raised, that a minimum of 4 hours should be accorded the parties for such a PGR hearing before the PTAB, and if multiple third party petitioners are involved, the amount of time should be increased accordingly.

Thank you

Robert Greene Sterne