

From: Vockrodt, Jeff
Sent: Friday, November 11, 2011 10:21 AM
To: ai_implementation
Subject: Inter partes review

Dear Ms. Gongola:

I would like to offer the following comments regarding the "Graduated Implementation" of inter partes review under Section 6 of the America Invents Act. These comments are offered from my own perspective as a practitioner, and former examiner, who now represents numerous requesters and patent owners in inter partes reexaminations before the Office. These comments do not necessarily reflect the views of my firm or its clients.

The Office has the authority, but is not required, to limit the number of inter partes reviews that are instituted to 281 during each of the four years beginning September 16, 2012. The approximate number of petitions for inter partes review that will be filed in the first year cannot be known in advance. At the same time, defendants in litigation will not pursue post-grant proceedings unless they are confident the proceeding will be instituted. A hard cap, particularly during the first year, will generate uncertainty that will likely have a chilling effect on the use of inter partes review as an alternative to litigation. The Office should consider foregoing the graduated implementation cap in the first year after inter partes review comes into being. If the Office announces this in advance, this could reduce confusion and uncertainty regarding the availability of inter partes review. The Office could then use filing statistics to determine whether the graduated implementation cap will be implemented in the next year and provide advance notice to the affected parties to reduce the arbitrariness of the cap.

If the Office intends to implement cap during the first year of inter partes review, the Office should announce this fact well before September 16, 2012. Not knowing in advance whether the Office would implement the cap adds unnecessary confusion. To further reduce confusion and avoid arbitrary application of the cap, the Office should provide guidance as to how the cap will be implemented. The following questions are intended to provoke discussion as to how a graduated implementation cap would work in practice:

1. If the Office reaches the first-year's cap before September 16, 2013, will petitions filed after the cap is reached but before September 16, 2013 be denied outright, or will they be put into a queue that is applied against the following year's cap?
2. If a petition for inter partes review is denied due to the cap, will the Office decide whether all of the other requirements of the petition are met so the parties know that the review may be instituted the following year?
3. Will each year's cap be applied against the petitions that are filed that year, even if the decision to institute the inter partes review occurs in the following year?

Finally, rather than implementing a hard cap, the Office should consider instituting inter partes reviews for good cause once the cap is reached. Good cause might be shown when litigation involving the patent is stayed, or would likely be stayed, in view of the inter partes review. Parties can include information regarding the likelihood of a stay with their initial submissions (e.g., petition and patent owner statement). By allowing inter partes review to proceed in cases involving litigation where a stay is likely to be granted, the Office can achieve the objective of both graduated implementation and inter partes review as an effective alternative to litigation.

Thank you for the opportunity to provide comments in connection with the rulemaking process.

Sincerely,
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