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Director of the United States Patent and Trademark Office

Attention: Lead Judge Michael Tierney

Re: “Rules of Practice for Trials Before the Patent Trial and Appeal Board and Judicial Review of Patent Trial and Appeal Board Decisions” (77 Fed. Reg. 6879 (Feb. 9, 2012))  
“Changes to Implement Inter Partes Review Proceedings” (77 Fed. Reg. 7041(Feb. 10, 2012))  
“Changes To Implement Post-Grant Review Proceedings” (77 Fed. Reg. 7060(Feb. 10, 2012))

Foley & Lardner LLP is a national, full-service law firm with a vibrant intellectual property practice that includes over 200 intellectual property attorneys and professionals. We appreciate the opportunity to comment on the proposed rules packages published February 9 and 10, 2012. These comments are submitted on behalf of the firm’s IP Law and Practice committee, and do not necessarily represent the views of all members of the firm or its clients.

Several proposed rules raise concerns with regard to the burdens imposed and with regard to relevant judicial precedent and/or corresponding statutory authority. Three rules in particular are addressed in turn below.

## I. Proposed Rule 37 CFR § 42.51(b)(3)

The proposed rule reads:

### **§ 42.51 Discovery.**

(b) *Routine discovery.* Except as the Board may otherwise order:

\* \* \* \* \*

(3) Unless previously served, noncumulative information that is inconsistent with a position advanced by the patent owner or petitioner during the proceeding. The

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information is to be filed as soon as practicable in a motion identifying supplemental information or as part of a petition, motion, opposition, reply, preliminary patent owner response to petition, or patent owner response to petition. The party submitting the information must specify the relevance of the information, including where the information is presented in a document and, where applicable, how the information is pertinent to the claims.

This proposed rule appears to create a Rule 56-type burden for parties to *in partes* proceedings before the Board, but goes even further by requiring the submitting party to “specify the relevance” of the information. The commentary in the Federal Register Notice acknowledges that this rule “may differ from the proposed changes to § 1.56” that the Patent Office is undertaking pursuant to the Federal Circuit’s 2011 *en banc* decision in *Therasense*, but justifies the proposed rule because “Board experience has shown that [such information] is typically sought through additional discovery . . . and leads to the production of relevant evidence.” 77 Fed. Reg. at 6887, col. 3. The commentary also indicates that the “failure to disclose a prior relevant inconsistent statement” would be sanctionable conduct under proposed § 42.12(a).

The Patent Office should not adopt this proposed rule, because of the potentially high burden of compliance and the costs of resolving disputes surrounding compliance. If the Patent Office decides to retain this rule, it should consider limiting its scope to information that is not available to the public and also not subject to attorney-client privilege or attorney work product.

## **II. Proposed Rule 37 CFR § 42.73(d)(3)**

The proposed rule reads:

**§ 42.73 Judgment.**

\* \* \* \* \*

(d) Estoppel—

\* \* \* \* \*

(3) *Patent applicant or owner.* A patent applicant or owner whose claim is canceled is precluded from taking action inconsistent with the adverse judgment, including obtaining in any patent:

- (i) A claim to substantially the same invention as the finally refused or cancelled claim;
- (ii) A claim that could have been filed in response to any properly raised ground of unpatentability for a finally refused or cancelled claim; or
- (iii) An amendment of a specification or of a drawing that was denied during the trial proceeding.

The Federal Register Notice cites no statutory authority for this specific rule. Indeed, while sections § 315(e) and § 325(e) of the Leahy-Smith America Invents Act (“AIA”) set forth estoppel provisions that apply against an unsuccessful petitioner in Inter Partes Review and Post-

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Grant Review, respectively, the AIA does not include any provisions that impose “estoppel” against an unsuccessful patent owner.

The proposed rule is at least in tension with Federal Circuit precedent, such as *Abbott Labs. v. TorPharm* (Fed. Cir. 2002), where the court notes:

“[P]recedent has long supported the right of an applicant to file a continuation application despite an unappealed adverse Board decision, and to have that application examined on the merits. Where the Patent Office has reconsidered its position on patentability in light of new arguments or evidence submitted by the applicant, the Office is not forbidden by principles of preclusion to allow previously rejected claims.”

Moreover, the proposed rule exceeds the scope of the common law doctrines of claim preclusion and issue preclusion. For example, “claim preclusion” requires that the two proceedings be based on the same set of transactional facts, *see Restatement (Second) of Judgments*, § 24, while the proposed rule is not so limited, and “issue preclusion” requires that the issue have been “actually litigated and determined” by a valid and final judgment, *see id.* § 27, while the proposed rule reaches claims that “could have been” filed.

This proposed rule therefore appears to be *ultra vires*, and so should not be adopted.

### **III. Proposed 37 CFR § 42.121(c)/42.221(c)**

Proposed rules 37 CFR §§ 42.121(c) and 42.221(c) apply to Inter Partes Review and Post Grant Review, respectively, and read

#### **§ 42.121 [or 42.221] Amendment of the patent.**

- (c) A motion to amend the claims of a patent will not be authorized where:
  - (1) The amendment does not respond to a ground of unpatentability involved in the trial; or
  - (2) The amendment seeks to enlarge the scope of the claims of the patent or introduce new subject matter.

These rules would, in effect, deny entry of amendments “enlarging the scope of a claim” or adding “new matter” on procedural grounds. These proposed rules may be difficult to administer and may unduly limit the patent holder’s right to amend the claims.

As a practical matter, it is not always easy to ascertain whether claim scope has been enlarged or new matter has been introduced. Instead of handling such issues procedurally, the Board should adopt an approach similar to that currently followed in reexamination and reissue proceedings, where amendments are entered but may trigger substantive rejections (e.g., under 35 USC § 112 ¶ 1). Thus, this proposed rule should not be adopted.



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We appreciate the Patent Office's careful consideration of these comments.

Sincerely,

/Courtenay C. Brinckerhoff/  
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