



**INTERNATIONAL FEDERATION OF INTELLECTUAL PROPERTY ATTORNEYS, U.S.**

April 10, 2012

United States Section,  
Fédération Internationale des  
Conseils en Propriété Intellectuelle

Via email: [post\\_grant\\_review@uspto.gov](mailto:post_grant_review@uspto.gov)

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Comments on Notice of Proposed Rulemaking  
Changes to Implement Post-Grant Review Proceedings  
77 Fed. Reg., pp. 7060-7080, published February 10, 2012

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The Fédération Internationale des Conseils en Propriété Industrielle (International Federation of Intellectual Property Attorneys, hereinafter “FICPI”), through its U.S. section, hereby presents its views with respect to the Notice entitled: “Changes To Implement Post-Grant Review Proceedings” (hereinafter “PGR Notice”) as published in the Federal Register cited above.

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FICPI is an organization working for the interests of patent professionals world-wide having a membership of approximately 5,000 that consists solely of intellectual property professionals in private practice. FICPI is an international organization with its members practicing intellectual property law in the United States, as well as in many jurisdictions throughout the world, including 87 countries and regions.

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Section 6(d) of the Leahy-Smith America Invents Act (“AIA”) adds 35 U.S.C. 321-329 entitled “POST-GRANT REVIEW” and the proposed new rules would implement the various provisions of this act. While most of the proposed new rules appear to be consistent with the statutory language of the AIA, FICPI recommends reconsideration and revision of some of the rules in order to better balance the interests and rights of patent owners and petitioners who participate in this Post-Grant Review (PGR) procedure.

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### **Proposed Section 42.200(b) “Broadest Reasonable Construction” of Claims**

Section 42.200(b) states that, “A claim in ...[a] patent shall be given its broadest reasonable construction in light of the specification of the patent...”. FICPI disagrees with this proposed claim construction standard and recommends that this proposed rule not be adopted. Rather, the PGR proceeding should use a claim construction standard much more similar to that employed in district courts and the Federal Circuit.

The PGR Notice states in the discussion at col. 1 on page 7064 that this proposed rule,

...would be consistent with longstanding established principles of claim construction before the Office. *In re Am. Acad. of Sci. Tech Ctr.*, 367 F.3d 1359, 1364 (Fed. Cir. 2004); *In re Yamamoto*, 740 F.2d 1569, 1571 (Fed. Cir. 1984). As explained in *Yamamoto*, a party’s ability to amend claims to avoid prior art distinguishes Office proceedings from district court proceedings and justifies the difficult standard for claim interpretation.

Both of the above-cited decisions involved an appeal from a decision by the USPTO Board of Patent Appeals and Interferences concerning an ex parte reexamination proceeding. Thus, the question arises as to whether the broadest reasonable construction standard should be used in a PGR proceeding, just as it has been used in reexamination proceedings before the USPTO, or whether a claim construction standard much more similar to that of the district courts and the Federal Circuit<sup>1</sup> should be used.

First, FICPI submits that the clear intent of Congress was to create a PGR proceeding as an alternative to patent validity litigation in a district court such that the claim construction standard should be similar to that used in court. The PGR proceeding, unlike ex parte reexamination, was intended to be a “...cost-effective *alternative to litigation*,” (emphasis added) as noted at col. 3 on page 7060 of the PGR Notice. Also, the legislative history of the AIA describes the sister proceeding of PGR, i.e. Inter Partes Review (IPR), as follows: “The [AIA] converts inter partes reexamination from an examinational to an adjudicative proceeding, and renames the proceeding ‘inter partes review’.”<sup>2</sup> Thus, the PGR and IPR proceedings were intended to address validity issues in a manner similar to that used in a district court, but not in the same manner as reexamination proceedings. In addition, the right of a patent owner to amend patent claims in a PGR proceeding will essentially be limited to one attempt<sup>3</sup> as opposed to reexamination proceedings which allow for much more flexibility

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<sup>1</sup> See, for example, *Phillips v. AWH Corp.*, 415 F.3d 1303, 75 USPQ2d 1321 (Fed. Cir. 2005).

<sup>2</sup> House of Representatives Report, No. 112-98, Part 1, June 1, 2011, pp. 46-7.

<sup>3</sup> See proposed Section 42.221(a)

in this regard<sup>4</sup> such that *Yamamoto* line of cases can be distinguished from this situation.

Secondly, attempting to use a “broadest reasonable construction” standard in a PGR proceeding subjects the claims of a patent owner to a standard that not only may favor the petitioner with respect to validity issues, but is inconsistent with the claim construction that would be used by a court for the purposes of infringement. In other words, the claims could be subjected to one construction standard in the PGR proceeding for the purposes of validity and a different construction standard in a court for the purposes of infringement. Such a double standard appears to be inconsistent with the goal of offering an administrative alternative to patent validity litigation in a court. It also fails to serve the interests of the patent owner who may be required to more narrowly amend the claims in a PGR proceeding employing a “broadest reasonable construction” standard than would be necessary if the claims were interpreted under the current district court claim construction standard. The narrowing claim amendments could unfairly weaken the position of the patent owner when the claims are interpreted for the purposes of analyzing infringement in a subsequent court proceeding.

For the reasons stated above, FICPI opposes proposed Section 42.200(b) and supports employment of a claim construction standard that corresponds much more closely, if not identically, to the current claim construction standard used in the district courts and the Federal Circuit for determining validity and infringement issues.

#### **Proposed Section 42.207(b) Time Period for Preliminary Response to Petition**

Section 42.207(b) states that the preliminary response by the patent owner, “must be filed no later than two months after the date of a notice indicating that the request to institute a post-grant review has been granted a filing date.” FICPI respectfully submits that this two month time period is too short and should be extended to at least three months for several reasons.

First, while a petitioner can spend at least about nine months, if not longer<sup>5</sup>, in preparation of the initial petition, the patent owner will see the petition for the first time only

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<sup>4</sup> See 35 U.S.C. 305 and 35 U.S.C. 314 pre-AIA which allow a patent owner to “propose any new amendment to the patent and a new claim or claims...”; Also see 37 C.F.R. 1.116(b) which allows for amendments after a “final” rejection if certain criteria are met.

<sup>5</sup> The allowed patent claims will be publicly available usually several months before the patent grant date.

after it is filed and cannot control the petition filing date in any way. The patent owner will very likely require at least two months, if not longer, to consult with one or more patent attorneys and technical experts in order to address the issues raised in the petition and prepare the preliminary response. If the patent owner is located in a foreign country, this complicates matters even more. Further, even though the stakes would be much higher for a patent owner in a PGR, a three month time period would be consistent with the typical three month time period allowed for responses during normal patent prosecution. In addition, while the discussion in the PGR Notice states that the two month period is “consistent with 35 U.S.C. 323”, it is noted that 35 U.S.C. 323 does not set any time limit for the patent owner preliminary response. Indeed, this time period is completely outside the three month period for the USPTO to make a determination on the PGR<sup>6</sup>, as well as the one year period for the USPTO to make a final determination<sup>7</sup>. The interests of patent owners are not well served with this short two month time period under Section 42.207(b) for the reasons stated above. Increasing the time period to three months better serves these interests, better balances the rights of patent owners vis-à-vis petitioners, and is consistent with the statutory provisions of the AIA. Thus, FICPI recommends amending proposed Section 42.207(b) to indicate a three month time period for the patent owner preliminary response.

#### **Proposed Section 42.220(b) Time Period for Patent Owner Response**

Section 42.220(b) states that after institution of the PGR, “...the default date for filing a patent owner response is two months from the date the post-grant review is instituted.” FICPI respectfully submits that this two month “default date” time period is too short and should be four months for several reasons.

First, this time period for the patent owner response is described in the “Practice Guide for Proposed Trial Rules” published in the Federal Register (Vol. 77, No. 27, pp. 6868-6879) on February 9, 2012 (hereinafter “Practice Guide”) and in the accompanying “Appendix A-1: Scheduling Order for ...Post-Grant Review...” as being four months. It appears clear that a four month time period is completely consistent with the statutory goals of the AIA as understood by the USPTO. It is not clear as to why the proposed “default” time period is half

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<sup>6</sup> 35 U.S.C. 324 post AIA

<sup>7</sup> 35 U.S.C. 326(a)(11) post AIA

the length of the Practice Guide time period. In fact, it is submitted that the patent owner would be significantly harmed if such a “default” time period of two months were to be used. The patent owner will not know if the PGR is to be instituted until the decision by the Patent Trial and Appeal Board (the “Board”). At that point, if the patent owner decides to amend any patent claims<sup>8</sup>, depose any declarants of the petitioner<sup>9</sup> and/or introduce testimonial evidence or test data<sup>10</sup>, in order to support what is essentially the single opportunity in the PGR for the patent owner to file a fully substantive response, a default response time period of two months clearly is unreasonably short. If the patent owner is based in a foreign country, these issues become more complicated.

The discussion in the PGR Notice states at col. 1 on p. 7066 that,

The Board’s experience with patent owner responses is that two months provides a sufficient amount of time to respond in a typical case, especially as the patent owner would already have been provided two months to file a preliminary patent owner response prior to institution.

This conclusion appears to assume that the patent owner, having gained some unarticulated benefit by previously filing a preliminary response to the petition, will now only typically need two months to file the patent owner response. However, the filing of the preliminary response does not in any way lessen the time constraint burden placed on the patent owner after the PGR is instituted. The preliminary response cannot amend any patent claim, depose any petitioner declarants or introduce any testimonial evidence or test data.<sup>11</sup> Although the patent owner could conceivably begin developing strategies for later amending patent claims while preparing the preliminary response, there is little else that would lessen the time constraint burden placed patent owner before the Board decision to institute the PGR. The patent owner would still be required to conduct any needed depositions within the two month period. Before the Board decision to institute the PGR which starts the time period for the patent owner response, it is unreasonable to expect the patent owner to make significant progress towards obtaining any necessary experts, developing any needed testimonial evidence, designing and conducting any needed comparative experimental tests, and drafting appropriate documents for introduction of this evidence into the record. Rather, the patent owner should be given a

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<sup>8</sup> See proposed Section 42.221 of the PGR Notice

<sup>9</sup> See proposed Section 42.51 of the Rules of Practice, Federal Register (Vol. 77, No. 27, pp. 6879-6914) published on February 9, 2012

<sup>10</sup> See proposed Section 42.65 of the Rules of Practice

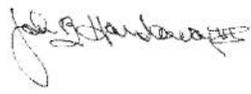
<sup>11</sup> See proposed Section 42.207

reasonable time period to pursue these options *after* the Board decision to institute the PGR. The PGR procedure should not be designed without taking into consideration these significant time constraint burdens placed on the patent owner. Consequently, FICPI recommends that proposed Section 42.220(b) be amended to indicate a default time period of four months consistent with the Practice Guide example mentioned above.

FICPI appreciates the opportunity to provide comments on the proposed rules for the PGR proceeding and hopes that these comments are helpful in the implementation of the AIA.

Sincerely,

By   
Andrew D. Meikle

By   
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