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Dear Under Secretary Iancu,

Thank you for the opportunity to offer commentary in response to the Request for Comments on the Discretion to Institute Trials Before the Patent Trial and Appeal Board appearing at 85 Federal Register 66502-66506 (October 20, 2020).

I believe that the current Patent Trial and Appeal Board structure and its rules are detrimental to US innovation competitiveness and should be amended to correct the issues. At present, I am an inventor of 33 United States Patents, and several more pending applications, have a PhD in Chemical Engineering, a BS in Chemistry, and am a Licensed Professional Engineer in the State of Delaware. I have worked throughout my career in research, development, engineering, and manufacturing as an employee at some of the country's largest corporations, and then at small start-up companies developing new sustainable technologies. Many large US corporations in mature basic industries such as oil, chemicals, steel, energy, etc. have significantly reduced or eliminated investment in R&D over the past several decades. However increased innovation is needed to solve the challenges of the 21st century and keep the USA competitive in world markets. Small companies, entrepreneurs, and universities are now providing more and more innovation in these basic industrial areas and they, along with inventors in all other technology areas, need to have better patent administrative regulations in place to protect them when patent disputes are initiated. The current PTAB structure strongly favors large corporations over individuals and small companies for reasons described at;

<https://usinventor.org/stop-cbm-ptab/>

I urge adoption of regulations to govern the discretion to institute PTAB trials consistent with the following principles.

I: PREDICTABILITY

Regulations must provide predictability. Stakeholders must be able to know in advance whether a petition is to be permitted or denied for policy reasons. To this end regulations should favor objective analysis and eschew subjectivity, balancing, weighing, holistic viewing, and individual discretion. The decision-making should be procedural based on clear rules. Presence or absence of discrete factors should be determinative, at least in ordinary circumstances. If compounded or weighted factors are absolutely necessary, the number of possible combinations must be minimized and the rubric must be published in the Code of Federal Regulations.

II: MULTIPLE PETITIONS

- a) A petitioner, real party in interest, and privy of the petitioner should be jointly limited to one petition per patent.
- b) Each patent should be subject to no more than one instituted AIA trial.
- c) A petitioner seeking to challenge a patent under the AIA should be required to file their petition within 90 days of an earlier petition against that patent (i.e., prior to a preliminary response). Petitions filed more than 90 days after an earlier petition should be denied.
- d) Petitioners filing within 90 days of a first petition against the same patent should be permitted to join an instituted trial.
- e) These provisions should govern all petitions absent a showing of extraordinary circumstances approved by the Director, Commissioner, and Chief Judge.

III: PROCEEDINGS IN OTHER TRIBUNALS

- a) The PTAB should not institute duplicative proceedings.
- b) A petition should be denied when the challenged patent is concurrently asserted in a district court against the petitioner, real party in interest, or privy of the petitioner and the court has neither stayed the case nor issued any order that is contingent on institution of review.
- c) A petition should be denied when the challenged patent is concurrently asserted in a district court against the petitioner, real party in interest, or privy of the petitioner with a trial is scheduled to occur within 18 months of the filing date of the petition.
- d) A petition should be denied when the challenged patent has been held not invalid in a final determination of the ITC involving the petitioner, real party in interest, or privy of the petitioner.

IV: PRIVY

- a) An entity who benefits from invalidation of a patent and pays money to a petitioner challenging that patent should be considered a privy subject to the estoppel provisions of the AIA.
- b) Privy should be interpreted to include a party to an agreement with the petitioner or real party of interest related to the validity or infringement of the patent where at least one of the parties to the agreement would benefit from a finding of unpatentability.

V: ECONOMIC IMPACT

Regulations should account for the proportionally greater harm to independent inventors and small businesses posed by institution of an AIA trial, to the extent it harms the economy and integrity of the patent system, including their financial resources and access to effective legal representation.

Respectfully Submitted,

Charles Sorensen