



**TERVES**  
ENGINEERED RESPONSE

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Submitted online at [www.regulations.gov](http://www.regulations.gov)

**November 5, 2020**

United States Patent & Trademark Office  
600 Dulany Street  
Alexandria, Virginia 22314

US PTO Patent Trial and Appeal Board,

Thank you for the opportunity to comment on the PTAB's discretion to institute trials. Request for Comments on Discretion To Institute Trials Before the Patent Trial and Appeal Board, 85 Fed. Reg. 203, (October 20, 2020), pp 66502-06

I am a serial entrepreneur with over 65 patents issued or pending, and having been involved in the creation or management of 7 technology based start-ups. I heartily endorse strengthening the patent system to support inventors. I believe that prior and current IPR practices have severely impacted the ability of individual inventors to obtain value from their inventions and enforce their patents, and inadvertently have benefited infringing entities and large multinationals to the detriment and harm of individual inventors, and that reform and improvement is needed. The majority of innovation now comes from start-ups, universities, and small businesses, and a strong patent system is a requirement to continue the innovation ecosystem and, I believe, the American way of life (which is still the envy of the world for our individuality)

Terves has been severely impacted by infringing foreign (Chinese) products, which have decimated our domestic manufacturing directly causing a 50% decrease in revenue and employment, and greatly limiting our ability to continue to innovate, expand, and commercialize new and disruptive technologies. We are currently in district court seeking preliminary injunction (pending, hearing in next 60 days) against some of the infringing products, and have now been served with an IPR citing the same references and argument. Hopefully the IPR is denied on this and late filing procedural issues, since it is a blatant attempt to try to sway the hearing.

I humbly submit the following recommendations:

#### 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.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew J Sherman", is written over a light blue horizontal line. The signature is fluid and cursive.

Andrew J Sherman