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December 20, 2018

Via Email: TrialRFC2018Amendments@uspto.gov

Attn: Acting Deputy Chief Administrative Patent Judge Jacqueline Wright Bonilla
or Vice Chief Administrative Patent Judge Michael Tierney
PTAB Request for Comments 2018

Mail Stop Patent Board

Director of the United States Patent and Trademark Office

P.O. Box 1450

Alexandria, VA, 22313-1450

**Re: Xperi Corporation Comments in Response to 83 FR 54319: Request for
Comments on Motion to Amend Practice and Procedures in Trial
Proceedings Under the America Invents Act Before the Patent Trial and
Appeal Board, Federal Register Volume 83, Issue 209 (Oct. 29, 2018),
Docket No. PTO-P-2018-0062**

Dear Sir or Madam:

Xperi Corporation submits the attached comments in support of the proposed changes to the "Motion to Amend Practice and Procedures in Trial Proceedings Under the America Invents Act Before the Patent Trial and Appeal Board," 83 FR 54319, Federal Register Volume 83, Issue 209 (Oct. 29, 2018), Docket No. PTO-P-2018-0062.

If you have any questions about our comments, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Michael C. Spillner'.

Michael C. Spillner

Michael C. Spillner
Vice President, Legal, Intellectual Property & Government Affairs
Direct: 408-321-2958
Email: michael.spillner@xperi.com



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**Xperi Corporation Comments
in Response to 83 FR 54319: Request for Comments on Motion to Amend Practice
and Procedures in Trial Proceedings Under the America Invents Act Before the
Patent Trial and Appeal Board, Federal Register Volume 83, Issue 209 (Oct. 29,
2018), Docket No. PTO-P-2018-0062**

I. CORPORATE OVERVIEW

Xperi Corporation ("Xperi") is a publicly-traded technology company (NASDAQ: XPER) based in San Jose, California. Xperi researches and develops audio, imaging, and semiconductor technologies through its widely-recognized brands DTS®, HD Radio®, FotoNation®, Invensas®, and Tessera®.

Xperi licenses its technologies and the patents that protect them to its customers, who use those technologies in their own products. For example, Xperi licenses its DTS audio technologies to manufacturers of audio/visual equipment, including speakers, radios, televisions, and Blu-ray/DVD players, to enable these devices to play high quality sound in theaters, homes, cars, and mobile devices. Xperi's HD Radio audio technology is licensed throughout the radio broadcasting ecosystem and enables the digital broadcast of local AM/FM stations. Xperi's FotoNation imaging technologies enable features such as red eye removal, face detection/recognition, face beautification, and iris recognition in mobile devices. And Xperi's Invensas and Tessera semiconductor technologies enable the advanced packaging and fabrication of semiconductor devices such as integrated circuits and sensors. Xperi's technologies are used in more than 5 billion consumer electronic devices, and more than 100 billion semiconductor chips worldwide.

Xperi is actively engaged in and committed to long-term research and development. It employs over 700 people, including over 450 scientists and engineers. It has 28 offices around the world, including U.S. offices in California, Maryland, Michigan, New Jersey, and North Carolina. In 2017, the company generated \$373.7 million in total revenues, and invested \$105.8 million on research and development. About half of Xperi's revenues come from licensing products, and the other half from licensing patents including those developed by the company's scientists and engineers.

Xperi relies on the patent system to protect its investments in innovation. Xperi has over 5,500 patents and patent applications worldwide. Xperi was ranked #165 on IPO's list of top 300 patent owners for 2017 (the same rank as Stanford University in 2017). IPO, *Top 300 Organizations Granted U.S. Patents in 2017* (June 18, 2018), http://www.ipo.org/wp-content/uploads/2018/06/2017_Top-300-Patent-Owners.pdf. Xperi and its subsidiary Invensas were separately ranked #6 and #19 on the 2017 IEEE "Patent Power Scorecard" for semiconductor manufacturing. IEEE, *Patent Power 2017 Scorecard* (Dec. 13, 2017), <https://spectrum.ieee.org/at-work/innovation/patent-power-2017>.



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II. COMMENTS ON THE NOTICE

Xperi supports the United States Patent and Trademark Office (“Office” or “USPTO”) proposals regarding a new amendment process involving a preliminary non-binding decision by the Patent Trial and Appeal Board (“PTAB” or “Board”) that provides information to the parties regarding the merits of a motion to amend, and an opportunity for a patent owner to revise its motion to amend thereafter; and regarding the proposed pilot program implementing the new amendment process before the Board.

The USPTO’s current practice regarding motions to amend has created unpredictability and uncertainty in the U.S. patent system, and has weakened the value of U.S. patents. Because the PTAB uses more lenient standards for reviewing patentability/validity, there has been a significant risk that the PTAB will find claims unpatentable. And because motions to amend have been rarely granted as a practical matter, even otherwise strong patents that could be fixed by a simple amendment have been subject to cancellation. See 83 Fed. Reg. 54,319, 54,321 (Oct. 29, 2018) (noting that more than 90% (171 out of 189) of motions to amend that the Board has decided have been denied in full).

The proposed changes to the practices and procedures for motions to amend would result in a stronger U.S. patent system and create more fairness for patent owners. Giving patent owners a more genuine opportunity to amend their patents to address deficiencies identified by the Board will create a post-grant process with more integrity and predictability, and result in even stronger patents whose validity is that much more certain. Claim amendments benefit the patent system because patent owners “are able to resolve ambiguities and overbreadth through [motions to amend], producing clear and defensible patents at the lowest cost point in the system.” *Office Patent Trial Practice Guide*, 77 Fed. Reg. 48,756, 48,764 (Aug. 14, 2012). This is to the benefit of all stakeholders, as it will promote the public’s faith and trust that the U.S. patent system is producing high-quality patents.

III. CONCLUSION

Thank you for providing Xperi with the opportunity to submit comments on the proposed changes to the motion to amend practice and procedures. As noted above, we support the USPTO’s proposed changes.

If you have any questions about these comments, please contact Michael Spillner, Vice President, Legal, Intellectual Property & Government Affairs, Xperi Corporation, at michael.spillner@xperi.com, or by telephone at (408) 321-2958.