

November 18, 2015

The Honorable Michelle K. Lee
Under Secretary of Commerce for Intellectual Property and
Director of the U.S. Patent and Trademark Office
U.S. Patent and Trademark Office
600 Dulany Street
Alexandria, VA 22314
Attn: Scott R. Boalick
Vice Chief Administrative Patent Judge

Via email: PTABTrialPilot@uspto.gov

Re: Request for Comments on a Proposed Pilot Program Exploring an Alternative Approach to Institution Decisions in Post Grant Administrative Reviews, 80 Fed. Reg. 51540 (August 25, 2015)

Dear Under Secretary Lee:

The American Intellectual Property Law Association (“AIPLA”) is pleased to have the opportunity to present its views on the “Proposed Pilot Program Exploring an Alternative Approach to Institution Decisions in Post Grant Administrative Reviews,” 80 Fed. Reg. 51540 (August 25, 2015).

The American Intellectual Property Law Association is a national bar association of approximately 14,000 members who are primarily lawyers engaged in private or corporate practice, in government service, and in the academic community. AIPLA members represent a wide and diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, trade secret, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property. Our mission includes helping to establish and maintain fair and effective laws and policies that stimulate and reward invention while balancing the public’s interest in healthy competition, reasonable costs, and basic fairness.

In June of 2014, the Office published in the Federal Register a notice seeking public comment on 17 particular questions on aspects of Patent Trial and Appeal Board (PTAB or Board) trial proceedings under the Leahy-Smith America Invents Act (AIA). *See* 79 Fed. Reg. 36474. The final question in the notice sought general comments on changes that should be made to AIA trial proceedings, and specifically asked if the Board’s approach to instituting petitions should change. Included in its October 2014 comments responding to the request, AIPLA suggested that the Office consider designating a single Administrative

Patent Judge (APJ) for the Decision to Institute and a panel of three judges for the corresponding trial, if instituted.

Accordingly, AIPLA supports the proposal of a single-judge pilot for institution decisions. While such a program may help with efficiencies at the Office, as AIPLA previously noted, it could also help to eliminate any actual or perceived bias created by the current practice of having the same three judges decide whether to institute a proceeding and subsequently issue a final written decision in the case.

In addition, Sections 314 and 324 of Title 35 commit to the Director the statutory authority and responsibility of deciding whether an inter partes or post grant review proceeding should be instituted. The current practice of delegating that responsibility to panels of APJs is a matter of discretion for the Director, who has the authority to delegate this function in a different manner to address policy and efficiency concerns.

Dividing the responsibility of instituting an AIA trial proceeding and of conducting the trial that leads to a final written decisions between a single APJ and a panel of three APJs may improve both the efficiency of the Board and the perception of fairness of the proceedings.

AIPLA is pleased to address the specific questions about the proposed pilot for single-judge institution.

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Question 1: Should the USPTO conduct the single-APJ institution pilot program as proposed herein to explore changes to the current panel assignment practice in determining whether to institute review in a post grant proceeding?

As stated above, AIPLA supports the use of a pilot program to determine the effectiveness of single-APJs making the decisions to institute AIA trial proceedings rather than panels of three APJs. Dividing up responsibility between a single APJ for institution and a panel of three APJs to conduct the trial and enter a final written decision may improve both the efficiency of the Board and the perception of fairness of the proceedings.

In assigning a single APJ to make an institution decision, AIPLA suggests that the assigned APJ have a technical background in an area close to the subject matter of the patent being challenged. In addition, to the extent the assigned APJ does not have a certain minimum amount of experience in authoring decisions to institute, he or she should be provided sufficient resources and guidance from more experienced colleagues in preparing his or her decision. This will help to ensure that these decisions are well founded and should increase the information the USPTO can obtain from the pilot program.

Question 2: What are the advantages or disadvantages to the proposed single APJ institution pilot program?

The single-APJ institution pilot program has several potential advantages. First, it may provide the USPTO with a more efficient and judicious use of resources for the PTAB. With its large docket of AIA trial proceedings, the USPTO should save resources by tasking only one judge to make each decision on institution, and it should free up other

judges to focus on conducting instituted trials. In addition, as noted above, dividing up responsibility between a single APJ and a panel of three APJs to conduct the trial and enter a final written decision may improve the perception of fairness of the proceedings.

Question 3: How should the USPTO handle a request for rehearing of a decision on whether to institute trial made by a single APJ?

In accordance with the statute, requests for rehearing of decisions by single APJs should be heard by the “Director.” One possible avenue for handling such requests would be for the Director to form a specific group for handling rehearing requests. That group should not include judges who would conduct the instituted AIA trials.

Forming such a rehearing group may help with consistency and enhance the quality of institution decisions. Given the bar on appellate review for decisions to institute, provided in 35 USC §§314(d) and 324(e) and addressed in *In re Cuozzo Speed Technologies, LLC.*, 778 F.3d 1271 (Fed. Cir. 2015), it is critically important to ensure the quality of decisions on whether to institute. Having the Director make such rehearing decisions with an established and experienced group may help foster confidence of petitioners and patent owners and also comply with the statute.

Question 4: What information should the USPTO include in reporting the outcome of the proposed single-APJ institution pilot program?

For purposes of reporting the outcome of the proposed single-APJ institution pilot program, the USPTO should:

- track the number and percentage of single-judge decisions to institute or not to institute that are sustained or reversed in rehearings by three-judge panels;
- track by technology area the percentage of petitions resulting in institution, partial institution, and denial as compared to the USPTO’s current three-judge panel practice;
- track information about the percentage of institution decisions for which rehearing is requested (for single judge and three-judge panels), and the percentage of requested-rehearing cases for which rehearing was granted in whole or in part;
- track the technical expertise and experience level of the single APJs that handle institution decisions;
- track the time that judges and the group handling rehearing requests spend on each petition and requests for rehearing; and
- track the number and percentage of claims for which review is instituted as part of the pilot program that survive review, as compared to the number and percentage of claims that survive review following three-judge institution decisions.

Question 5: Are there any other suggestions for conservation and more efficient use of the judicial resources at the PTAB?

With respect to the single-APJ institution pilot program, the USPTO should provide training and set appropriate experience requirements for judges handling single-APJ

institution decisions. In addition, the USPTO should establish a definite time limit as a trial period for the pilot program in order to evaluate its effectiveness.

AIPLA appreciates the opportunity to provide comments with respect to this pilot program, and looks forward to considering the results of the experience for both the Office and the community of stakeholders. We remain available for further input as needed.

Sincerely,

A handwritten signature in cursive script that reads "Lisa K. Jorgenson".

Lisa K. Jorgenson
Executive Director
American Intellectual Property Law Association