



October 19, 2015

**VIA ELECTRONIC MAIL** ([trialrules2015@uspto.gov](mailto:trialrules2015@uspto.gov))

Lead Judge Susan Mitchell  
Patent Trial Proposed Rules  
Mail Stop Patent Board  
Director of the United States Patent and Trademark Office  
P.O. Box 1450, Alexandria, VA 22313-1450

Re: Comments on “Amendments to the Rules of Practice for Trials Before the Patent Trial and Appeal Board,” Federal Register Vol. 80, No. 161, August 20, 2015

Dear Judge Mitchell:

EMC Corporation (“EMC”) is pleased to provide comments in response to the proposed Amendments to the Rules of Practice for Trials Before the Patent Trial and Appeal Board, published in 80 Fed. Reg. 50721 (Aug. 20, 2015). EMC applauds the U.S. Patent and Trademark Office (“USPTO” or “Office”) for proposing further improvements to the already-successful rules of practice. We encourage the Office to implement the new rules in a way that will ensure the “just, speedy, and inexpensive resolution of every proceeding.” 37 C.F.R. § 42.1(b).

Below are EMC’s comments on selected issues raised in the Office’s Request for Comments.

### **Claim Construction Standard**

EMC strongly supports the USPTO’s commitment to retain the broadest reasonable interpretation standard in AIA trials. The Office is entrusted with ensuring the issuance and confirmation of high-quality patents that fully inform the public of the metes and bounds of the invention. The BRI standard advances that goal by encouraging patent owners to draft definite claims with readily-apparent boundaries, or risk having their claims deemed invalid. Ambiguous claims will not be confirmed if, interpreted broadly, they are anticipated or obvious over the prior art. Thus, the broadest reasonable interpretation standard promotes patent clarity by encouraging patentees to amend ambiguous claims.

By contrast, the district court standard, which tries to guess at how a person of ordinary skill in the art would understand a claim term, makes little sense in a proceeding where the patentee has the opportunity to clarify the intended claim scope in an amendment. Further, allowing district court-style claim construction arguments in typical AIA proceedings would add to the expense of the proceeding by introducing substantial complexity to the claim construction analysis, with no countervailing benefit.

Moreover, a narrowing of the claim interpretation standard would significantly undermine the utility of the AIA trial proceedings. With bifurcated decisions on validity (before

the Board) and infringement (before a district court), a patentee would be able to advance a narrow interpretation of claim terms when arguing in favor of validity, while simultaneously applying the claims broadly when seeking a determination of infringement. Faced with this possibility, few patent infringement defendants would choose to forgo their right to challenge validity in district court, and we would return to the era of long, expensive, drawn-out battles in every case, no matter the merits.

A patent owner should not be permitted to forgo the right to amend in exchange for a more favorable claim construction standard. The Office has an independent obligation to ensure patent clarity. Thus, the Office should encourage patentees to amend their claims to resolve ambiguities; it should not permit them to forgo that right in order to increase the chances that an unclear, potentially broad claim will be confirmed.

At the same time, EMC also agrees with the Office that patents that will expire during the pendency of the AIA trial should be construed according to the standards applicable in district courts. The patentee has no meaningful opportunity to amend claims of a soon-to-expire patent. And the public notice concern is more attenuated in this situation, since the public has no need to design around an expired patent. Thus, patents that will expire during the trial proceedings should be construed according to the same rules that govern district courts.

### **Patent Owner's Preliminary Response**

EMC fully supports the Office's proposal that new testimonial evidence be permitted in the Patent Owner's Preliminary Response, provided that the Board resolves factual disputes in favor of the petitioner. A patentee may be required to provide testimonial evidence on a host of issues that were not addressed by the petitioner's evidence in the petition. Such issues might include whether the asserted references in fact qualify as prior art; whether the petition has properly named all real parties in interest; and whether other (non-testimonial) evidence submitted with the preliminary response satisfies the applicable rules of evidence. Testimonial evidence of this sort is appropriate in a patent owner's response.

If testimonial evidence is allowed, EMC agrees with the Office that factual disputes must be resolved in favor of the petitioner. A patent owner should not be permitted to successfully oppose institution by submitting an expert opinion that merely disputes the points made by the petitioner's expert. Before institution, the Board is not in a position to make credibility determinations. Rather, the competing opinions must be tested by cross-examination before they can be judged. If a petition sets out sufficient facts to justify institution, mere factual contradiction by the patent owner should not prevent the proceeding from running its course. The Board should make credibility determinations only upon a complete record.

In instances where the patent owner's preliminary response raises new issues that could not have been reasonably anticipated in the petition, the petitioner should be permitted the right to reply with additional testimonial evidence directed at those new issues. For example, if the patent owner raises a question regarding whether all real parties in interest were named, the

petitioner should be permitted to submit declarations that are relevant to that determination. Similarly, if the patent owner challenges the prior art status of a particular reference, if the challenge could not reasonably have been anticipated, the patent owner should be permitted to submit new evidence showing that the reference is in fact prior art. The Board should evaluate the sufficiency of that evidence, but it must still resolve factual disputes in favor of the petitioner, so that credibility determinations are not made on less than a complete record.

### **Word Count**

EMC agrees with the Office's proposed rule adopting a maximum word count for the petition, preliminary response, patent owner response, and petitioner's reply brief. In particular, we appreciate the elimination of satellite litigation regarding whether claim charts contain argument. This will allow AIA trial participants to present their case in the most natural way, without worrying about whether a particular statement could fairly be characterized as an argument.

### **Real Party in Interest Challenges**

EMC believes that challenges addressing whether a real party in interest ("RPI") has been omitted from a petition should be raised as early as possible, generally in the patent owner's preliminary response. The ability of a patent owner to include testimonial evidence will facilitate the patent owner's ability to raise this challenge early. If a patent owner does not raise this sort of challenge in its preliminary response, it should be required to show good cause why it did not do so. The lack of discovery should not be considered to be good cause, as the patent owner should be required to seek discovery before institution if it believes there is a basis to do so.

Late evaluation of RPI challenges increases costs and uncertainty. And allowing late challenges encourages patent owners to delay raising RPI challenges to gain strategic advantage. For example, a patent owner might use a withheld RPI challenge as a bargaining chip in seeking a settlement after institution. The more efficient approach for the parties and the Office is for the Board to consider RPI issues in its institution decision, and to focus on the merits of the dispute thereafter.

### **Motions to Amend**

EMC agrees that, as set forth in *MasterImage 3D, Inc. v. RealD Inc.*, Case IPR2015-00040, a patentee's burden should be to distinguish proposed amendments over the prior art of record and the prior art known to the patent owner. The standards set out in the *MasterImage* case are not onerous. In light of the fact that amended claims are never examined by the Office, the retention of a meaningful burden on the patentee to distinguish proposed amendments over the prior art is essential to ensure that the amended claims are in fact patentable.

While the petitioner may raise other art in opposition to the motion to amend, this ability is not a substitute for the patentee to satisfy its burden. The patentee, for example, may be aware of prior art that is not known to the petitioner—the patentee’s own prior products, for example. Thus, it is appropriate that the patentee be responsible for analyzing the prior art known to it, as well as the prior art of record, to ensure patentability of the proposed amendment. And, having reviewed this body of prior art, there is no reason why the patentee should not be required to explain its conclusions regarding patentability to allow for meaningful evaluation by the petitioner and the Board.

### **Discovery Regarding Non-Obviousness**

EMC continues to believe that discovery aimed at a party’s products could open the door to a trial-within-a-trial. For example, discovery regarding commercial success opens the door to subsidiary litigation about whether there is a nexus between the claimed invention and the alleged success, or whether the party’s products in fact practice the patent. And discovery about alleged copying of the invention invites a dispute about the state of mind of the alleged infringer. These proceedings have the potential to derail AIA trials and make it impossible to conclude them within the statutory deadline. Thus, EMC has concerns with the Office’s statement that “a conclusive showing of nexus between the claimed invention and the information being sought through discovery is not required at the time the patent owner requests additional discovery.” EMC believes that the party requesting discovery should be able to make at least a *prima facie* of a nexus between the alleged objective indicium of non-obviousness and the claimed invention. Moreover, the *Garmin* factors should be strictly applied in such instances. For example, we believe that it is usually the case that patentee has the best evidence of the commercial success of its own patented invention, and that discovery from the petitioner is rarely needed on this issue.

### **One-Year Period to Issue a Final Determination**

EMC supports the Office’s decision not to extend the one-year statutory time period for AIA trials. EMC believes that instances where the Office departs from the one-year statutory deadline should be exceedingly rare, as to do so would undermine a key benefit of AIA trial proceedings.

### **Denials on Grounds of Redundancy**

EMC believes that any denial of grounds on redundancy grounds should be made in the institution decision, and disagrees with commenters who proposed that such denials be deferred to the final written decision. Deciding this issue early will help ensure that the petitioner is not estopped from raising the denied ground in district court or in other proceedings before the Office.

### **Other Issues**

EMC supports the institution of a Rule 11-type certification, although implementation of such a certification should not in any way suggest that parties were not already under a strict duty of candor under prior iterations of the rules. Regarding the coordination of multiple proceedings, EMC looks forward to the further guidance to be set forth in the Office Patent Trial Practice Guide, and submits that prejudice to the parties and the ability to complete proceedings within the one-year statutory deadline should be overriding considerations. Regarding the format of the oral hearing, EMC does not believe any changes are warranted. In particular, live testimony is rarely needed at the oral hearing, and to allow live testimony could introduce the potential for unfair surprise at a point in the proceeding when all the evidence has already been submitted and considered.

### **Conclusion**

In closing, we would like to again thank the Office and the Board for their hard work in developing and refining these new trial procedures. AIA trials have resulted in a sea change in the patent litigation landscape, encouraging quicker resolution of hosts of cases. These trials have allowed many more cases to be decided on their merits rather than settled for nuisance value, in light of the high costs of district court litigation. We believe that the amendments proposed by the Office will improve the processes even more, improving predictability, efficiency, and decision quality. We look forward to continuing to take advantage of the significant benefits this procedure has afforded us.

Very truly yours,



Krish Gupta  
Senior Vice President & Deputy General Counsel

KG/jmw