



November 16, 2015

The Honorable Michelle K. Lee  
Under Secretary of Commerce for Intellectual Property  
and Director of the United States Patent and Trademark Office  
600 Dulany Street  
P.O. Box 1450  
Alexandria, VA 22313  
<http://www.regulations.gov> (docket number PTO-P-2015-0053)

**Re: USPTO Request for Comments on Amendments to the Rules of Practice for Trials Before the Patent Trial and Appeal Board**

Intel Corporation commends the U.S. Patent and Trademark Office (USPTO or Office) on its continued commitment to ensuring U.S. patent quality and enhancing the post-grant review proceedings created by Congress in the America Invents Act (AIA). Intel is pleased to provide its response to the USPTO's Federal Register request for comments on its proposed amendments to the Rules of Practice for Trials Before the Patent Trial and Appeal Board (PTAB).

The United States' economic growth is, and has always been, tied to innovation. The ability of U.S. corporations to continue to innovate depends upon a strong patent system with high quality patents. Congress's intent for the AIA post-proceedings was that they would "provide a meaningful opportunity to improve patent quality and restore confidence in the presumption of validity that comes with issued patents in court." H.R. Rep. No. 112-98, pt.1, at 48 (2011). Amendments to the rules of PTAB procedure should both encourage high patent quality and maintain the efficacy and efficiency of PTAB proceedings, in accordance with Congress's goals.

Intel supports the USPTO's efforts to improve and refine the important and valuable Inter Partes Review (IPR) procedure and provides the following comments for consideration.

### **Claim Construction**

The Office proposes that it continue to apply the "broadest reasonable interpretation" (BRI) claim construction standard to any patent claim that will not expire before the conclusion

of the IPR proceeding. Intel supports this recommendation and reiterates its view that the “broadest reasonable interpretation” standard is the only claim construction standard that is appropriate for unexpired claims under review by the USPTO. As the USPTO’s Federal Register notice explains, the PTO has a long-standing practice of giving patent claims their broadest reasonable interpretation during examination and during other post-issuance proceedings such as reexamination, reissue, and interference for good reason. Giving patent claims their broadest reasonable construction “serves the public interest by reducing the possibility that the claims, finally allowed, will be given broader scope than is justified.” *In re Yamamoto*, 740 F.2d 1569, 1571 (Fed. Cir. 1984). By reviewing claims under the BRI standard, “uncertainties of claim scope [are] removed, as much as possible” and the claims ultimately allowed by the PTO “are precise, clear, correct, and unambiguous.” *In re Zletz*, 893 F.2d 319, 322 (Fed. Cir. 1989). An IPR proceeding is *not* simply an alternative to litigation, but was designed by Congress as a procedure to ensure that issued patents that bear the USPTO’s seal of approval are high quality patents truly entitled to the presumption of validity accorded to them in litigation. *See* H.R. Rep. No. 112-98, pt.1, at 48 (2011).

Intel applauds the Office for recognizing that the PTAB and district courts have different functions, which justify their different approaches to claim interpretation. A trial court’s responsibility is to review the validity of claims with proper deference to the expert agency that originally issued them. The PTAB plays an entirely different role by applying the legal and technical expertise of the Office and its APJs to ensure that patents are properly issued by the USPTO. IPRs provide the Office with an opportunity to correct any mistakes made during the examination process. Because the Office owes no deference to its *own* original decision, the PTAB should use the same approach to claim construction during AIA reviews that is used during the original examination of the patent application.

For these reasons, Intel supports the USPTO’s decision to continue to apply the “broadest reasonable interpretation” claim construction standard to unexpired patents.

### **Patent Owner’s Preliminary Response**

The Office proposes allowing a patent owner to file new testimonial evidence with its preliminary response. Intel respectfully disagrees this change will improve the IPR procedure. The sole purpose of the institution decision is to determine whether the petitioner has shown sufficient justification for a trial on the merits. Permitting new testimonial evidence risks

converting the institution decision into something it was not intended to be, namely a ruling on the merits made without the due process guaranteed by the post-institution procedures.

In an attempt to mitigate these risks, the Office proposes that factual disputes will be resolved in favor of the petitioner for the purposes of deciding whether to institute. Faced with such a presumption, however, new testimonial evidence from the patent owner will have little to no value to the PTAB. If the petitioner did not set forth sufficient facts on a particular issue to justify institution, the patent owner could simply explain this deficiency in its response instead of providing new testimonial evidence to demonstrate it. Conversely, if the patent owner submits new testimonial evidence that will conflict with that already offered by the petitioner, the PTAB will find a factual dispute and disregard the evidence presented by the patent owner. In either scenario, this new testimonial evidence is unnecessary. In any event, the patent owner will not be prejudiced without an opportunity to present new testimonial evidence in its Preliminary Response. If the petition is instituted, the patent owner will have an opportunity to fully develop the record during the post-institution trial. This ensures fairness to all parties and avoids wasted resources prior to institution.

Intel believes that the institution decision should remain focused on the sufficiency of the petition. The parties can and should debate whether the petition establishes the need for a full trial, but it is inefficient and unnecessary for the PTAB to consider new evidence in that early determination. However, if the Office ultimately decides to allow a patent owner to provide new testimonial evidence in the preliminary response, Intel urges the Office to afford petitioners an opportunity to reply to such evidence and to resolve any factual disputes created by this new evidence in favor of the petitioner. These safeguards are critical to the fairness of any proceedings allowing for an expanded preliminary response

### **Rule 11-Type Certification**

The Office proposes adding a Rule 11-type certification for all papers filed with the PTAB, as well as sanctions for noncompliance that would apply to practitioners and the parties. Intel believes that all parties and their counsel should comply with the standards established by Rule 11 and supports the Office's efforts to police misconduct before the PTAB by incorporating the well-understood principles from Rule 11. Nevertheless, Intel cautions the USPTO to ensure that the final rule implementing this proposal does not significantly increase the expense or burden of IPR proceedings for the parties.

## **Real Party in Interest Challenges**

Intel appreciates the Office's explanation that, in general, a patent owner may raise a challenge regarding the real party-in-interest or privity requirement at any time during a proceeding, with the caveat that for late challenges that reasonably could have been raised earlier in the proceeding, the Office will consider the impact of such a delay, including when deciding whether to grant a motion for additional discovery. Intel does not oppose the Office's position but believes that parties participating in IPRs would benefit from more clarity and certainty about when a late challenge would be permitted under the Rules. For this reason, Intel welcomes the Office's decision to include "further discussion on this issue" in the Office Patent Trial Practice Guide. Fed. Reg. at 50729.

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

Intel strongly supports the Office's decision not to extend the one-year statutory time period for post-grant proceedings. As prior commentators noted, the speed with which the Office renders a decision has been a key factor in the widespread and effective use of IPR proceedings. Intel applauds the Office's diligent efforts to meet the one-year deadline. In particular, Intel recognizes and appreciates the personnel and resource management efforts that the Office has employed to continue to keep up with the increasing use of IPR proceedings.

## **Additional Discovery**

Intel appreciates the Office's explanation that the PTAB will continue to use the *Garmin* factors when deciding whether to grant a request for additional discovery but that the factors are not exhaustive and parties are permitted to present arguments using different factors. Intel supports the Office's decision to continue to apply the *Garmin* factors because Intel believes that those factors (and the explanation of those factors set forth in *Garmin*) strike an appropriate balance between the need to obtain meaningful discovery and the need to prevent excessive costs and burdens for the parties.

## **Multiple Proceedings Involving the Same Patent**

Intel supports the Office's proposal to maintain the current framework for managing

multiple IPR petitions that involve the same patent claims. Intel believes that the PTAB's current case-by-case approach to multiple trials adequately balances the interests of the parties with efficiency considerations. Intel respectfully recommends, however, that the PTAB formally adopt two additional principles as part of its coordination analysis. First, the PTAB should consider whether each individual petitioner will be adequately represented in a coordinated proceeding. Second, the PTAB should consider whether coordination is needed to limit the burden of multiple proceedings. By formalizing recognizing and adopting these considerations, parties will know on which issues to focus in their scheduling motions.

### **Word Counts, Protective Orders, and Other Recommendations**

Intel supports the remaining proposed changes included in the Notice. In particular, switching from page counts to word counts for written submissions is a sensible change that accommodates the inclusion of figures, which can be extremely helpful in patent-related submissions. Intel also agrees that the designating party should have the burden of showing good cause to seal "confidential" information. These and the other changes announced in the Notice will improve practice before the PTAB for all parties.

### **Conclusion**

Intel reiterates its strong support for the USPTO's commitment to adopt rulemaking that both satisfies the Congressional goals of increased patent quality and maintains the efficiency and effectiveness of PTAB proceedings. Intel appreciates the USPTO's consideration of these comments

Sincerely,



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Intel Corporation