

**From:** [RICK NEIFELD](#)  
**To:** [Trialrules2015](#)  
**Subject:** Comments on Proposed PTAB Rules Published at 80 FR 50720 (2015)  
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Susan L. C. Mitchell, Lead Administrative Patent Judge  
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Re: "Amendments to the Rules of Practice for Trials  
Before  
the Patent  
Trial and  
Appeal  
Board",  
published  
at 80 FR  
50720  
(August  
20,  
2015)

Dear LAPJ Mitchell:

I appreciate the opportunity to comment on this issue. My practice has focused on Board (Patent Trial and Appeal Board, formerly the Board of Patent Appeals and Interferences) proceedings since the early 1990. Since 2002, I have administered the group site devoted to Board practice (see <https://groups.yahoo.com/neo/groups/PatentInterPartes/info>). Participants of this site identify relevant PTAB decisions and discuss issues relevant to PTAB practitioners. I have been counsel in a large number of patent interferences and AIA proceedings. My comments herein below are based upon my experience in Board proceedings.

On August 20, 2015, the USPTO solicited comments from the public on the proposed rule making. 79 FR 36474. The solicitation notes that the final rule published May 19, 2015 already "provided ten additional pages for a patent owner's motion to amend, allowed a claims appendix for a motion to amend, and provided ten additional pages for a petitioner's reply brief, in addition to other ministerial changes to conform the rules to the Office's established practices in handling AIA proceedings." The solicitation states that [t]his second, proposed [set of] rule [ changes .. addresses more involved proposed changes ... concerning the claim construction standard for AIA trials, new testimonial evidence submitted with a patent owner's preliminary response, Rule 11-type certification, and word count for major briefing."

My comments follow.

### **Claim Construction Standard**

80 FR 50722, center column states the "Office invites comments suggesting any workable and efficient solutions for scenarios where the patent owner chooses to forego the right to amend

claims in an AIA proceeding, including any suggested revisions to the rules or the Office Patent Trial Practice Guide."

In response, the Office should maintain flexibility in the rules that provide for application of a Phillips-type standard where that promotes the 42.1(b) "just, speedy, and inexpensive resolution" of proceedings. For example, where the parties jointly request review under the Phillips-type standard, the PTAB should oblige. The existence of a judicial claim construction under the Phillips-type standard in a parallel district court patent infringement litigation involving the same real parties-in-interest, also implicates the just, speedy, and inexpensive resolution" of every proceeding.

Given the definitions in 42.2, it is unclear whether "every proceeding" in 42.1(b) is limited to PTO proceedings. Clarification of that ambiguity would be helpful. I submit that due to the nature of AIA proceedings, "every proceeding" recited in 42.1(b) extends to proceedings outside the Office.

### **Patent Owner's Motions To Amend**

80 FR 50723, center column states "At this time, the Office does not contemplate seeking assistance from the Examining Corps for review of motions to amend."

In response, the Office is charged with issuing valid patents. The response seems to be inconsistent with the cost and benefit of seeking assistance from the Examining Corps for review of motions to amend.

The APJs are not, for the most part, experts in the particular sub-niche of technology of every patent subject to an AIA petition. Motions to amend are filed, opposed, and considered on an expedited schedule. While PTAB process is adversarial, issuance of claims impacts the general public. The relevant factors are the cost of commandeering the extra pair of eyes of an examiner steeped in the relevant technology sub niche of the subject claims, the relatively few motions to amend compared to the number of patent applications examined, and the impact to the public of issuing claims. Given those factors, the Office should consider adding an examination to advise a Board panel regarding proposed new patent claims before deciding a motion to amend.

80 FR 50724, center column, states "As for whether to revise the Rules and the Trial Practice Guide to state that a reissue application can be utilized as a mechanism for amending the claims after final written decision, the Office declines to propose a blanket rule applicable to all reissues, which have additional requirements governing those proceedings."

In response, the Office should provide guidance on this critical issue. Patentees should not have to play guessing games regarding their procedural options. Likewise, Petitioners and potential petitioners need to know the extent to which their petition will resolve a dispute. Both sides in any PTAB AIA proceeding would benefit from clarity regarding procedural options beyond the PTAB AIA proceedings; including clarity on when and the extent to which related proceedings in the Office that are not PTAB AIA petition proceedings, are available, in view of PTAB AIA petition proceedings.

80 FR 50726, left column concludes that the Office will not allow a Petitioner reply to a Patent Owner Preliminary Response, but instead will change the "rules to provide expressly that a petitioner may seek leave to file".

In response, note that it is my experience that each Board conference call in an IPR proceeding consumes several hours of attorney and Board APJ time. I believe it would be more efficient to authorize a Petitioner reply. On this issue, 80 FR 70738 center column concludes "Adding a reply as of right to the record at the preliminary stage would increase the burden on Office review by introducing additional arguments into the record not presented in the petition,..." That statement suggests a reply can present new arguments. The general concept of a reply in a Board proceeding has always been that it is limited to new replying to issues in the paper to which it is a reply. Such a reply could not add new arguments in support of unpatentability. In addition, the additional APJ time spent reviewing a reply might be offset by a more accurate decision on the petition and concomitant reduction in APJ (and attorney) time spent on any resulting trial.

## **Additional Discovery and Real Party in Interest**

80 FR 50725 to 50730 state and reiterate existing PTAB guidance on discovery and real party-in-interest (RPI) discovery. However, the PTAB case law provides a single set of factors for all motions for additional discovery, the *Garmin* factors. In contrast, RPI and privy determinations affect standing of the petition. The Office intimates that it has been more liberal on discovery requests related to standing issues. However, the Office should consider expressly including whether the requested discovery goes to a standing issue, as a factor. And grant far more liberal discovery when standing is the issue, than otherwise.

## **Multiple proceedings**

80 FR 50730 50735 address how the PTAB should procedurally handle multiple proceedings involving the same patent.

In response, I note that a factor not discussed in this section of the FR is the possibility that the Supreme Court will require, or that Congress will require, the PTAB to cease applying the Broadest Reasonable Interpretation (BRI) claim construction standard. That proposal has recently been advocated in briefs before the Supreme Court. The Office should hold off on any rule making on this issue at least because a difference in claim construction standard between the PTAB and the examining corps would affect the best way to coordinate multiple proceedings, and such a change in the near future is a possibility.

## **Rule 11-Type Certification, Recognizing Privilege, and Duty of Candor**

80 FR 50743 notes that the Office intends to incorporate a FRCP rule 11 type certification, in 37 CFR 42.11.

In response, that incorporation would be redundant for all registered practitioners, in view of 37 CFR 11.18(b). To the extent that this proposed rule change is not redundant, that is in the case where an attorney is admitted *pro hac vice* to a PTAB proceeding, there is a simpler less burdensome solution. Require that attorney to certify they will comply with 37 CFR section 11.18(b) as part of their motion for admission.

Regarding 37 CFR 42.11, per se, it should be clarified. There is precious little guidance on this rule. *Gnosis S.P.A. v. Merck & CIE*, IPR2013-00117, paper 21 (Order by APJ Kamholz, for a panel consisting of APJs Kamholz, Tierney, and Bonilla), stated:

Merck asked whether it is required under a duty of candor to identify any grounds of challenge beyond those raised in this proceeding by Gnosis. The Board noted that compliance with the duty of candor under 37 C.F.R. § 42.11 involves a fact specific inquiry.

The panel then entered this order:

FURTHER ORDERED that Merck must inform the Board of any basis Merck has for knowing that any challenged claim is unpatentable, *pursuant to Merck's duty of candor under 37 C.F.R. § 42.11*. [Italics added for emphasis.]

37 CFR 42.11 by its terms is limited to "candor and good faith *to the Office during* the course of a proceeding." Assume Merck decided to request adverse judgment, because of information it discovered during the course of the PTAB AIA proceeding affecting patentability. It seems reasonable that a request for entry of adverse judgement would discharge the duty of candor and good faith *to the Office*, as required by the rule. However, the rule as written lacks clarity on that point. The Office is urged clarity this rule. Your proposed revision to 42.11 fails to resolve

this lack of clarity.

Another issue relating to 37 CFR 42.11 is the requirement in 42.51(b)(1)(iii), first sentence. This rule states:

Unless previously served, a party must serve relevant information that is inconsistent with a position advanced by the party during the proceeding concurrent with the filing of the documents or things that contains the inconsistency.

As written, the rule only requires service of inconsistent information known when the party advanced the position with which the information is inconsistent. It does not cover after discovered inconsistent information. Your proposed rules make no changes to 42.51(b)(1)(iii). It is unclear whether 37 CFR 42.11 would require disclosure of after-the-fact discovered inconsistent information. You should consider a change either to this rule or to 42.11 to this type of situation.

Very truly yours,  
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