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20 May 2018

Andrei Iancu
Under Secretary of Commerce for Intellectual Property and Director
The United States Patent and Trademark Office

Re: Changes to the Claim Construction Standard for Interpreting Claims in Trial
Proceedings Before the Patent Trial and Appeal Board, Docket Number: PTO-P-2018-
0036, Docket RIN 0651-AD16

Broadest Reasonable Interpretation (BRI) v. Ordinary Customary Meaning (OCM)

The patent owner shouldn't enjoy the exclusive exclusionary monopoly privileges of erroneously granted invalid patents for obvious and not novel inventions, or unpatentable abstract ideas. To remedy such erroneous grant of monopolies to undeserved inventors, aggrieved parties accused of infringement of those invalid monopoly grants are given an opportunity to challenge the validity of patent claims in the federal court, however expensive the litigation may be.

The Leahy-Smith America Invents Act (AIA), Public Law 112-29, 125 Stat. 284, was enacted 16 September 16 2011 to provide *inter partes* review (IPR) process as an alternative to the expensive litigation in Article III courts due to its corruption into an extortion by patent trolls encroaching up on the public domain. The statute grants the US Patent Office (USPTO) the authority to issue regulations governing IPR and no statutory provision unambiguously mandates a particular claim construction standard¹. Therefore, the USPTO has the authority to change the standard of claim construction from the current to the claims construction based on the Philips standard of Ordinary Customary Meaning (OCM), same as the standard applied in federal district courts and International Trade Commission (ITC) proceedings.

Accordingly, it makes sense to minimize differences between claim construction standards used in the various fora could lead to greater uniformity and predictability of the patent grant. given the intent of the Congress to reduce the litigation costs by delegating the review process to the Patent Trial and Appeal Board (PATB), and is a reasonable exercise of the agency's rulemaking authority².

However, the broadest reasonable interpretation (BRI) claim construction standard helps ensure precision in drafting claims and prevents a patent from tying up too much knowledge, which, in turn, helps members of the public draw useful information from the disclosed invention and understand the lawful limits of the claim. The USPTO has used this standard for more than 100 years and has applied it in proceedings which resemble district court litigation³.

Upon enactment of the American Inventors Protection Act of 1999 (AIPA), 35 USC 312(a) provided, as to the standard for granting an *inter partes* reexamination request, that the Director shall determine whether a substantial new question of patentability affecting any claim of the

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patent concerned is raised by the request, with or without consideration of other patents or printed publications.... The USPTO has referred to this standard as SNQ with the BRI claim construction standard⁴. The request is assigned to a patent Examiner in the Central Reexamination Unit (CRU) of the Patent Office. The Examiner decides whether the request raises a “substantial new question of patentability”, and if so, begins an *inter partes* reexamination proceeding⁵. In *Inter Partes* proceedings, the patent challenger has the opportunity to submit prior art by doing a thorough search of the prior art to find art for consideration by the Examiner to invalidate the patent or limit the scope of the claims so the challenger's product does not infringe⁶.

Section 6(c) of the AIA replaced the *inter partes* reexamination process, effective September 16, 2012, with the new IPR process, such that on or after September 16, 2012 the Office no longer entertains requests for *inter partes* reexamination but instead accepts petitions to conduct IPR. For any *inter partes* reexamination filed prior to 16 September 2012, the provisions of 35 USC 311 – 35 USC 318 as they were in effect prior to 16 September 2012, continue to apply to the *inter partes* reexamination proceedings⁷.

Prior to AIA, third-party requestors participated in the USPTO’s review of patent validity in *ex parte* procedure and *inter partes* reexamination. Prior to abolition of the *inter partes* reexamination of patent under the SNQ /BRI standard, *inter partes* reexamination was steadily gaining popularity, increasing the number of petitions from zero in 2000 to about 530 petitions in 2012⁸.

Annual *Inter Partes* Reexam Filings

Fiscal Yr.	No	Fiscal Yr.	No	Fiscal Yr.	No	Fiscal Yr.	No
2000	0	2004	27	2008	168	2012	530
2001	1	2005	59	2009	258		
2002	4	2006	70	2010	281		
2003	21	2007	126	2011	374		

Conclusion

Accordingly, because the IPR claim construction standard is being changed to Article III court’s OCM standard, the USPTO is urged to consider reinstating the *inter partes* reexamination with the SNQ/BRI standard. If the Director finds that a substantial new question of patentability affecting a claim of a patent is raised, *inter partes* reexamination of the patent may be ordered for resolution of the question, accompanied by the initial action of the USPTO on the merits of the *inter partes* reexamination conducted⁹. The USPTO may take into consideration all the previous changes and public comments on proposed changes specific to *Inter Partes* Reexamination¹⁰.

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REFERENCES AND NOTES

¹ *Cuozzo Speed Technologies, LLC v. Lee*, https://www.supremecourt.gov/opinions/15pdf/15-446_ihdk.pdf.

² *Cuozzo*, *supra*

³ *Id.*

⁴ Manual of Patent Examining Procedure, Chapter 2600, Section 2601: <https://www.uspto.gov/web/offices/pac/mpep/s2601.html>

⁵ INTER PARTES REEXAMINATION <https://patentlyo.com/matthewsmithinterpartesreexaminationtreatise.pdf>

⁶ Pre-litigation Strategies: Patent Reexamination <https://corporate.findlaw.com/intellectual-property/pre-litigation-strategies-patent-reexamination.html>

⁷ The basic characteristics of *inter partes* reexamination are as follows:

(A) Any third party requester, prior to September 16, 2012, can request *inter partes* reexamination at any time during the period of enforceability of the patent (for a patent issued from an original application filed on or after November 29, 1999);

(B) Prior art considered during reexamination is limited to prior patents or printed publications applied under the appropriate parts of 35 U.S.C. 102 and 103;

(C) The standard for granting reexamination (35 U.S.C. 312(a)) must be met for reexamination to be ordered;

(D) If ordered, the actual reexamination proceeding is essentially *inter partes* in nature;

(E) Decision on the request must be made not later than three months from its filing date, and the remainder of proceedings must proceed with "special dispatch" within the Office;

(F) If ordered, a reexamination proceeding will normally be conducted to its conclusion and the issuance of an *inter partes* reexamination certificate;

(G) The scope of the patent claims cannot be enlarged by amendment;

(H) Reexamination and patent files are open to the public, but see paragraph (I) below;

(I) The reexamination file is scanned to provide an electronic copy of the file, which is the Official file of the proceeding. All public access to and copying of reexamination proceedings may be had from the electronic copy.

Patent owners and third party requesters are cautioned that the reexamination statute, regulations, and published examining procedures do not countenance so-called "litigation tactics" in reexamination proceedings. The parties are expected to conduct themselves accordingly. For example, it is expected that submissions of papers that are not provided for in the reexamination regulations and/or appear to be excluded by the regulation will either be filed with an appropriate petition to accept the paper and/or waive the regulation(s), or not filed at all. Parties are advised that multiple submissions, such as a reply to a paper opposing a petition and a sur-reply directed to such a reply are not provided for in the regulations or examining procedures governing *inter partes* reexamination. It is expected that the parties will adhere to the provisions of 37 CFR 11.18(b) throughout the course of a reexamination proceeding.

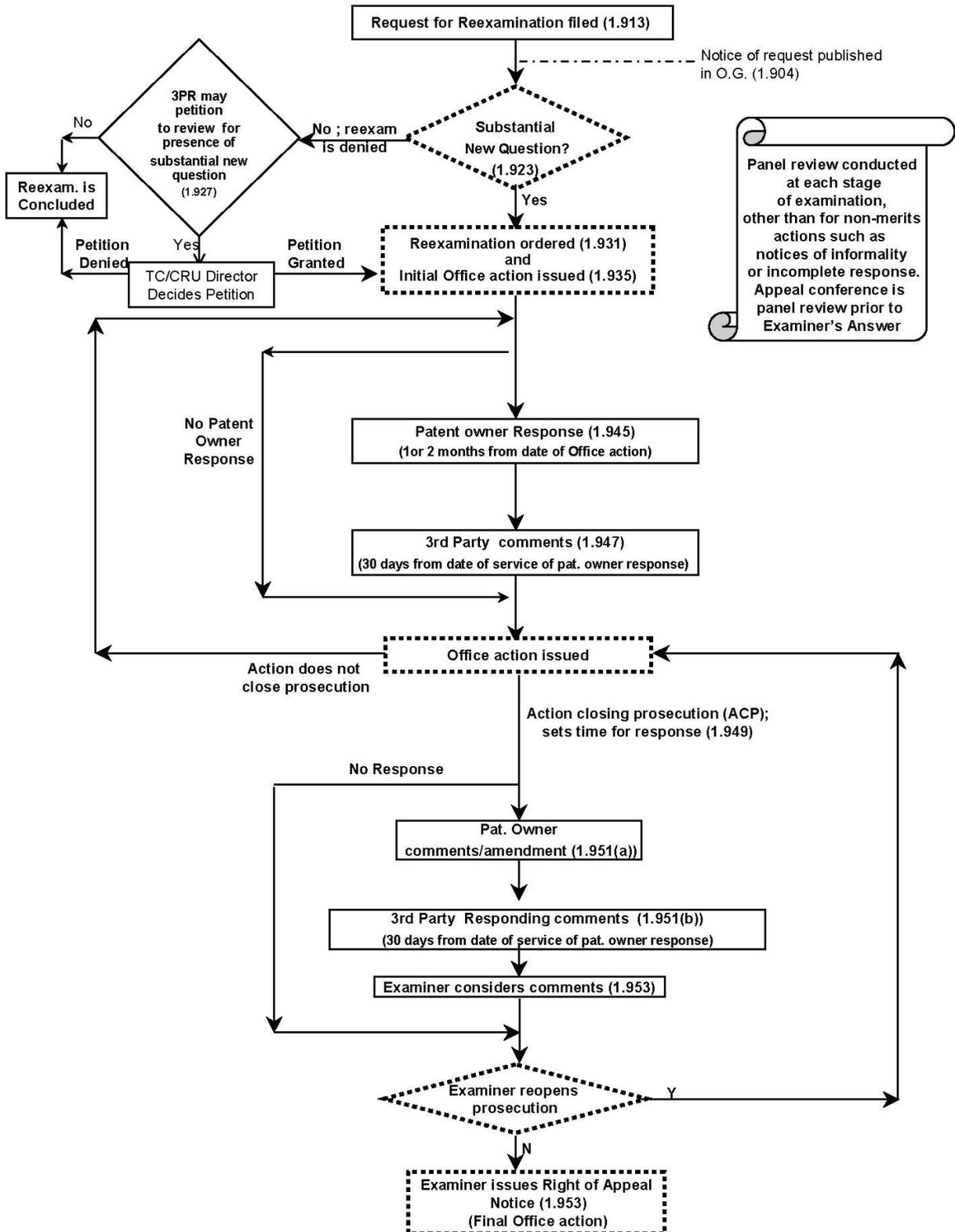
<https://www.uspto.gov/web/offices/pac/mpep/s2609.html>

⁸ *Inter Partes Reexamination Filing Data - September 30, 2017* https://www.uspto.gov/sites/default/files/documents/inter_parte_historical_stats_roll_up.pdf

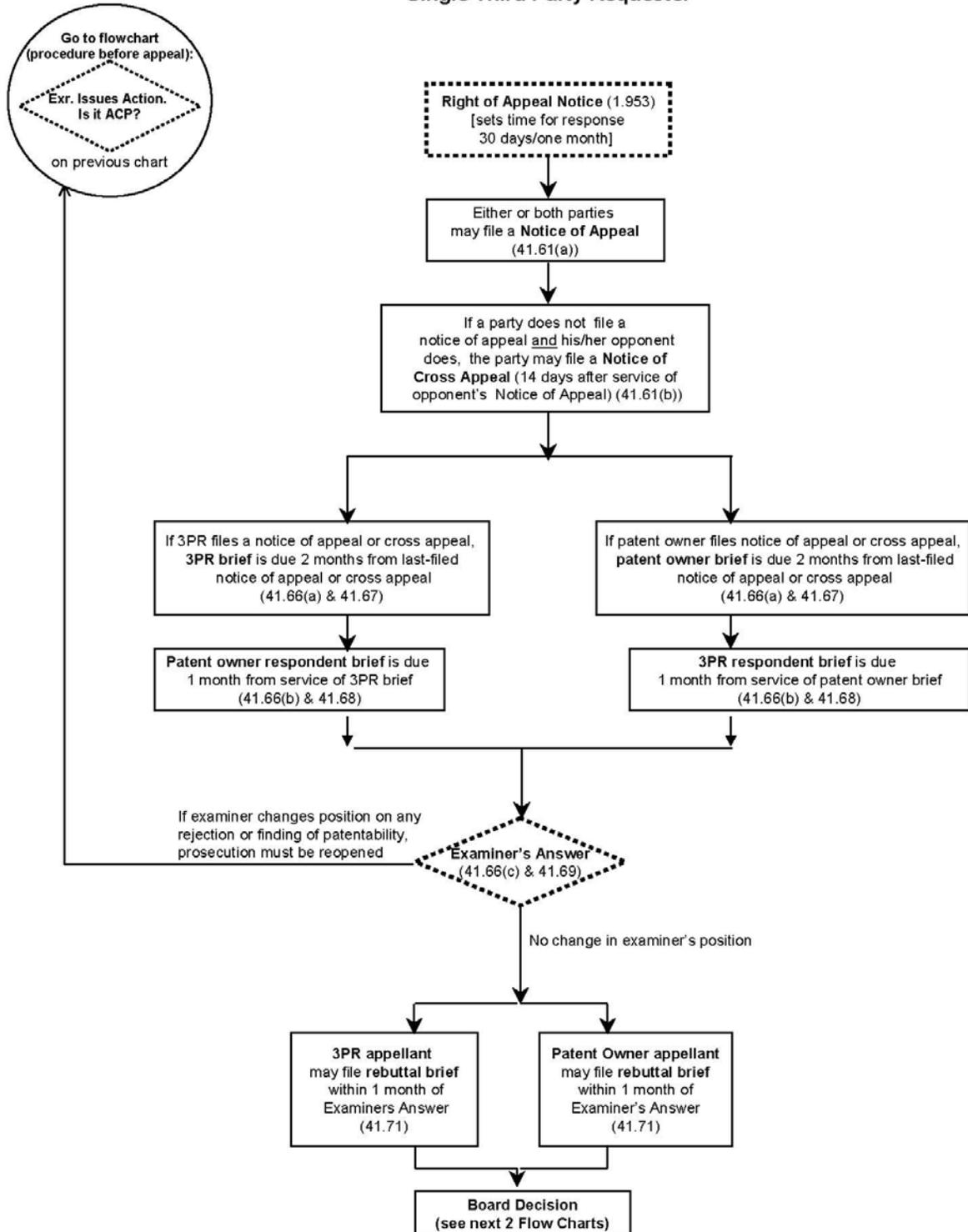
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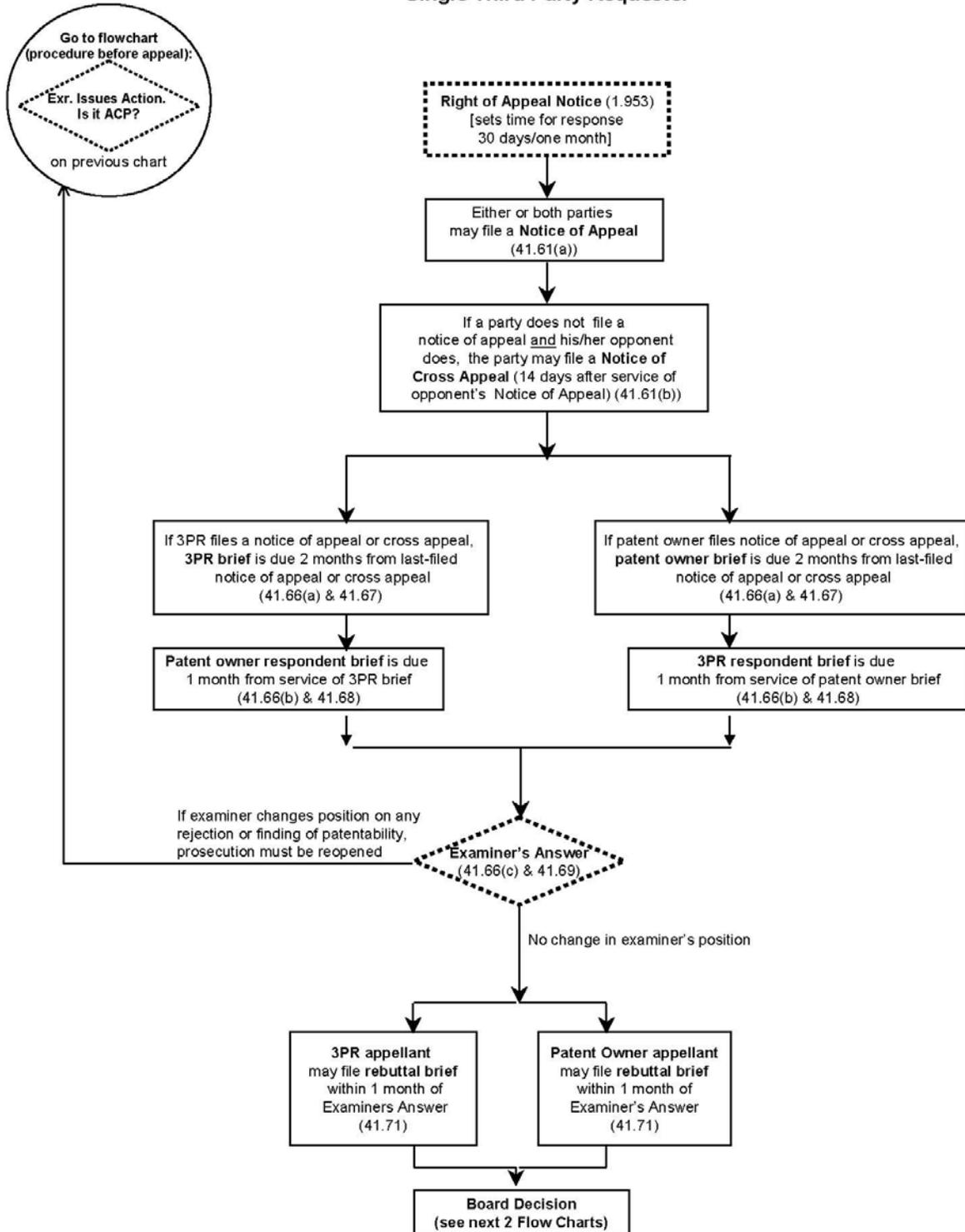
**Inter Partes Reexamination (applicable rule section)
 PROCEDURE BEFORE APPEAL**



Inter Partes Reexamination (applicable rule section)
APPEAL PROCEDURE
 Single Third Party Requester



Inter Partes Reexamination (applicable rule section)
APPEAL PROCEDURE
 Single Third Party Requester



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⁹ 2646 Decision Ordering Reexamination <https://www.uspto.gov/web/offices/pac/mpep/s2646.html>

Inter Partes Reexamination: As a summary, inter partes reexamination benefits for a TPR include: https://www.postgrantproceedings.com/patent_modification/inter-partes-reexamination/

1. Significant third party participation in the proceeding from the filing of a request for reexamination, reexamination being ordered, Examiner's action closing prosecution, Appeal to the Board of Appeals and the Federal Circuit to the time the Reexamination Certificate is issued.

2. As in ex parte reexamination proceedings, the patent owner has a continuing duty of disclosure to the USPTO under 37 C.F.R. § 1.56 and there is no presumption of validity of patents with respect to which inter partes reexamination has been ordered.

3. For the most part, a different (Primary) Examiner will handle the inter partes reexamination proceeding than did the Examiner who examined the application that matured in to the patent undergoing inter partes reexamination. This may be beneficial or it may not.

4. Once reexamination is ordered, it continues until a reexamination Certificate is issued and cannot be withdrawn.

5. Once reexamination is ordered, the patent under reexamination no longer enjoys a presumption of validity.

6. During reexamination, claims are given their broadest reasonable interpretation, making it easier to reject the claims in view of prior art.

7. Patent Owner amendment and/or arguments can create prosecution history estoppel.

8. Previously cited art in the patent can be relied upon in a request for reexamination.

9. Claims amendments during the proceeding may provide intervening rights to an infringer.

10. Admissions against interest, if they are clear, unmistakable and unequivocal, can be used against the patent owner, not by themselves, but in connection with patents and printed publications.

THE USE OF INTER PARTES AND EX PARTE REEXAMINATION IN PATENT LITIGATION <https://www.immagic.com/eLibrary/ARCHIVES/GENERAL/GENREF/H060208O.pdf>

Strategic Use of Inter Partes Reexam in Patent Litigation <https://www.ipwatchdog.com/2011/07/24/strategic-use-of-inter-partes-reexam-in-patent-litigation/id=18294/>

¹⁰ The latest of such proposals at <https://www.gpo.gov/fdsys/pkg/FR-2011-04-25/pdf/2011-9805.pdf> and public comments at <https://www.uspto.gov/patent/laws-and-regulations/comments-public/comments-streamlined-patent-reexamination-proceedings>.