

From: Richard Baker
To: [PTABNPR2018](#)
Subject: PTO-P-2018-0036 - Comments in favor of Changes to the Claim Construction Standard for Interpreting Claims in Trial Proceedings Before the Patent Trial and Appeal Board
Date: Tuesday, July 3, 2018 1:20:25 PM

Dear Sir,

I write today in support of the USPTO proposed changes to the Claim Construction Standard for Interpreting Claims in Trial Proceedings Before the Patent Trial and Appeal Board (PTAB) (USPTO Docket Number PTO-P-2018-0036). Since the PTAB was established, somewhere between 70-80% of the decisions of the Board resulted in the invalidation of most or all of the claims in a challenged patent. This is an unacceptably high number. Any company that rejects 70-80% of their products would cause a revolt amounts the shareholders. Major changes would be made. Management fired, processes and procedures totally rewritten. The USPTO is starting this process. But where does the problem lie, in the Examination or in the Review?

Looking at the evidence of the patents that have been found invalid by the PTAB, we find many of America's best and brightest inventions have been declared invalid. Inventions that have been licensed. Inventions that have been found valid by Article 3 Courts. Inventions that are the cornerstone for new industries. By all standards, many important patents have been invalidated by the PTAB. So the problem is not with the Examination in most cases.

Instead, the problem lies in the Review. The USPTO must find ways to adjust the PTAB's patent rejection rate to somewhere in the 30% rate. There seem to be many structural problems in the IPR, CBM, and PGR procedures that lead to the high invalidation rate. The proposed change from the Broadest Reasonable Standard to the Phillips Standard is a step in the right direction.

The Broadest Reasonable Interpretation standard finds its genesis in the patent prosecution process. In prosecution, the examiner and the applicant are in a negotiation to find the right scope for the claims. Amendments are freely allowed, and the process is almost without limits. The applicant can file RCEs, Continuations, and Continuations-in-part with few limits. By using the BRI standard, the examiner can force the applicant to consider how someone else would interpret the claims, and move towards a settlement on the scope of the claims. There is much give and take before the claims are issued.

In a PTAB proceeding, however, the claims are mostly fixed. While amendment technically is allowed, it has traditionally been difficult. And the opportunity to amend is limited. As a result, creative petitioners can broadly interpret claims while the patent owner has little chance to modify the claims.

The Phillips standard has been developed through the court system for instances where the claims are fixed. This standard has worked well in the court system for many years and is well vetted.

By using the Phillips standards, conflicts between the PTAB and the Article 3 Courts should be reduced, because both are using the same standard for determining the validity of patents.

Furthermore, the courts and the PTAB could respect the rulings of each other because the standards of review are the same, allowing for *res judica*.

The ultimate goal is for all parties to feel that they will be provided the same justice no matter what jurisdiction their case is heard, the justice will be the same in the District Court as it is in front of the USPTO. To do this, the USPTO needs to adopt the same standard as used by the Article 3 Courts.

I strongly use the USPTO to adopt the Phillips standard for interpreting claims in front of the PTAB.

Thank you for considering my remarks.

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