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December 14, 2018

The Honorable Andrei Iancu
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

Via email: TrialRFC2018Amendments@uspto.gov

Dear Director Iancu:

My comments below respond to the Office's *Request for Comments on Motion to Amend Practice and Procedures in Trial Proceeding under the American Invents Act before the Patent Trial and Appeal Board, Docket No. PTO-P-2018-0062* ("the Request").

Comments Relating to Questions 1-7 and 10-17

As will be discussed, both the current motion to amend practices and procedures ("the MTA Process") and the Request's proposed modifications to the MTA Process fail to efficiently and fairly implement the will of Congress in the conduct of AIA trials. To assist the Board in accomplishing its mandate, I propose an alternative MTA Process consistent with existing Office practice and the legislative intent of the AIA.

A. The Board Should Not Consider Patentability as Part of the MTA Process

The Board's original sin with respect to the current and proposed MTA Processes is the apparent and unfounded assumption that the Board must consider the patentability of proposed substitute claims when deciding whether to grant an MTA. In fact, nothing in the governing statutes or regulations permits—let alone requires—the Board to consider the patentability of substitute claims presented as part of the MTA Process. The only determinations to be made by the Board during the MTA Process relate to the scope of the proposed substitute claims, not their patentability.¹ If the proposed substitute claims meet the conditions of 35 USC § 316(d)(3), the

¹ 35 USC § 316(d)(3), entitled "Scope of Claims," states "[a]n amendment under this section may not enlarge the scope of the claims of the patent or introduce new matter" and makes no reference to patentability over prior art.

Board *must* grant the MTA² and then consider the patentability of the proposed substitute claims as part of the AIA trial. Because no changes to the issued claims occur unless and until the Board issues a certificate pursuant to 35 USC § 318, granting an MTA without considering patentability, as a practical matter, does nothing other than finalize which claims will be subject to a patentability determination at trial. The Office allows patent owners in *ex parte* reexaminations to enter amended claims before the Office considers their patentability,³ and it seems clear Congress intended to allow patent owners to do the same in AIA trials.

While 37 CFR § 42.121(a)(2)(i), the regulation implementing § 316(d)(3), states that an MTA may be denied where the “amendment does not respond to a ground of unpatentability in the trial,”⁴ this language does not require the Board to consider the patentability of proposed substitute claims to grant an MTA. For example, the patent owner can meet the requirements of the regulation during the MTA Process by simply representing, subject to the duty of candor (under 37 CFR § 42.11), that each proposed substitute claim responds to a ground of unpatentability at issue in the trial.⁵

Likewise, 37 CFR § 42.20(c), the regulation dictating who has the burden of proof in motion practice, does not include any language requiring the Board to consider the patentability of substitute claims proposed by an MTA. The regulation merely states that the “moving party has the burden of proof to establish that it is entitled to the requested relief.” For an MTA, this means the patent owner has the burden of proving that each proposed substitute claim meets the two conditions of § 316(d)(3), neither of which relates to patentability over the prior art of record. Certainly, nothing in § 42.20(c) permits the Board to arbitrarily require movants to establish things unrelated to the relief requested. Patentability is just as foreign to an MTA as it is to a motion to compel or a motion to exclude evidence.

Embracing this understanding of the statutory and regulatory scheme for AIA trials moots the apparent conflict in the Federal Circuit that remains after the *en banc* decision in *Aqua Products* by rendering the question of the ambiguity of § 316(e) irrelevant. By recognizing that

² “Congress deemed the patent owner’s right to amend so important that, in § 316(d), it mandated the patent owner be permitted to amend the patent *as of right* at least once during the course of an IPR, provided certain specific statutory conditions were met.” *Aqua Products, Inc. v. Matal*, 972 F.3d 1290, 1299 (Fed. Cir. 2017)

³ *See, e.g.*, 35 USC § 307(a) (certificate in reexamination proceedings); 37 CFR § 1.530(k) (amendments not effective until certificate issues).

⁴ As is the case for § 316(d)(3), the title of 37 CFR § 42.121(a)(2) is “Scope.”

⁵ The Board has interpreted 37 CFR § 42.121(a)(2)(i) as requiring that a proposed substitute claim “must narrow the scope of the challenged claim it replaces in a way that is responsive to a ground of unpatentability in the trial.” *Western Digital Corporation v. Spex Technologies, Inc.*, IPR2018-0082, Paper No. 13 (April 25, 2018). Even under this interpretation, which appears to be contrary to the plain language of § 316(d)(3), the scope of the proposed substitute claim is to be compared to the scope of the challenged claim it replaces, not to the prior art, i.e., there is nothing in § 42.121(a)(2)(i) that requires the Board to consider the patentability of proposed substitute claims when considering whether to grant or deny an MTA.

§ 316(d)(3) only requires that proposed substitute claims meet certain conditions with respect to claim scope without any consideration of patentability, 37 CFR § 42.20 can only be understood as requiring the patent owner (the moving party for an MTA) to establish that the proposed substitute claims meet those conditions. Regardless of whether § 316(e) is ambiguous, § 316(d)(3) and § 42.20 are not.

In closing, I note the Intellectual Property Law Association (“AIPLA”) previously provided observed that the “Board’s practice . . . for motions to amend has been to collapse the issue of whether a motion to amend should be granted with the issue of whether the proposed amended claim is patentable,” arguing that “[a]uthorizing a motion to amend in an AIA trial should be a preliminary step to the consideration of, not a final determination of, the ultimate issue of the patentability of any amended claims.”⁶ The comments presented herein extend and refine the AIPLA’s prior positions by demonstrating that the relevant statutes and regulations do not permit or require any consideration of patentability as part of the MTA Process.

B. The Modified MTA Process Proposed by the Request Unnecessarily Increases Cost and Complexity and Prejudices Both Parties when Compared to the Current MTA Process

The Office should not modify the current MTA Process as proposed by the Request because the proposed modifications would:

1. Prejudice the patent owner by requiring it to propose substitute claims before its initial discovery is complete;
2. Prejudice the petitioner by requiring it to take positions regarding the patentability of any proposed substitute claims before its initial discovery has begun;
3. Increase the cost incurred by each party by requiring additional briefing;
4. Increase the burden on the Board by requiring a non-binding, advisory opinion regarding the patentability of proposed substitute claim; and
5. Substantially prejudice the patent owner by focusing undue attention on substitute claims to the potential detriment of the fair and proper consideration of uncancelled challenged claims.

Regardless, the Office’s proposed modifications to the MTA Process provide no more certainty regarding the patentability of proposed substitute claims than deferring the question of patentability to a later date as allowed (if not required) by the statutory and regulatory scheme governing AIA trials.

⁶ [AIPLA Comments on PTAB Trial Proceedings](#), (Oct. 16, 2014) at pp. 5-6; [AIPLA Comments on PTAB Trial Proceedings](#), (Oct. 21, 2015) at pp. 7-8;.

C. To Reduce Cost and Complexity, the MTA Process Should Focus Solely on the Statutory Conditions Regarding the Scope of Substitute Claims, Deferring any Consideration of Their Patentability until Later Stages of the AIA Trial

A much more straightforward, less costly and non-prejudicial approach to improving the current MTA Process would be to completely remove the issue of patentability from the MTA Process, which would have the added benefit of obviating the need for any rulemaking regarding the burden of persuasion regarding patentability in MTAs (Questions 15-17 of the Request). The patentability of proposed substitute claims, if any, would continue to be addressed by the patent owner's response to the petition and by the petitioner's subsequent reply. This would allow the patent owner to complete discovery before drafting proposed substitute claims while also allowing the petitioner to complete its discovery before asserting any unpatentability arguments regarding the proposed substitute claims. Focusing the MTA on the issues of claim scope and new matter would also allow the MTA to be subject to the default briefing schedule of 37 CFR § 42.25, which would provide the petitioner one month to file an opposition and the patent owner one month from the date of the opposition to file a reply. The Board would deliver its decision regarding the MTA the same day the petitioner's reply to the patent owner's response is due, i.e., nominally six months after institution of the AIA trial. This alternative approach is likely to result in the vast majority MTAs being unopposed.⁷

Nothing in this alternative proposal to the current MTA Process prevents the Board from providing a non-binding advisory opinion regarding the patentability of any challenged and/or proposed substitute claims that remain in the AIA trial after patentability has been fully briefed according to the timeline of the current MTA Process and before any hearing. For example, within one month of the Board's decision regarding the MTA, the Board at its discretion could issue an advisory opinion regarding the patentability of the claims at issue, including any proposed substitute claims that have been granted.

Attachment 1A shows a timeline under the proposed alternative MTA Process wherein the question of patentability is removed from the MTA. Attachment 1B shows an overlay of the proposed alternative MTA Process timeline to the current AIA timeline. Attachment 1C shows a timeline under a version of the proposed alternative MTA process that includes issuance of a discretionary advisory opinion regarding patentability.

⁷ To obviate any concern that the Board's decision to grant an MTA could be incorrectly construed as a finding that the granted amendments are patentable, the Board could include language in each MTA decision that such is not the case, or the Office could add another subsection to 37 CFR § 42.121, e.g., "(d) **Effect of grant of motion to amend.** Although the Board will treat proposed substitute claims that have been granted as though they have been entered, the proposed substitute claims will not be effective unless and until a certificate is issued and published."

Comments Relating to Questions 8 and 9

Under no circumstances should the Board solicit, seek or accept patent examiner assistance of any type regarding proposed substitute claims or any other aspect of an AIA trial. Congress intended the AIA trial to be a compact, close-ended and time limited process. The only prior art to be considered is that (1) in the file history of the challenged patent, (2) the previously unconsidered prior art introduced by the challenger in its petition, and (3) any previously unconsidered prior art introduced by the patent owner during the AIA trial in furtherance of the patent owner's duty of candor (collectively the "Prior Art of Record"). Because an AIA trial is intended to be an adjudication and not an examination, the only question for the Board is whether the proposed substitute claim is novel and nonobvious in view of the Prior Art of Record. If the Board is competent enough to institute an AIA trial by finding a reasonable likelihood the petitioner will succeed in establishing that at least one of the challenged claims is unpatentable in view of the Prior Art of Record, why would the Board need the help of anyone to understand whether a *narrowed* version of a challenged claim is unpatentable in view of the same prior art? Amending the claims is not an invitation to transform an AIA trial into a reexamination.

Conclusion

In closing, thank you for the opportunity to contribute to the conversation regarding how to improve the MTA Process.

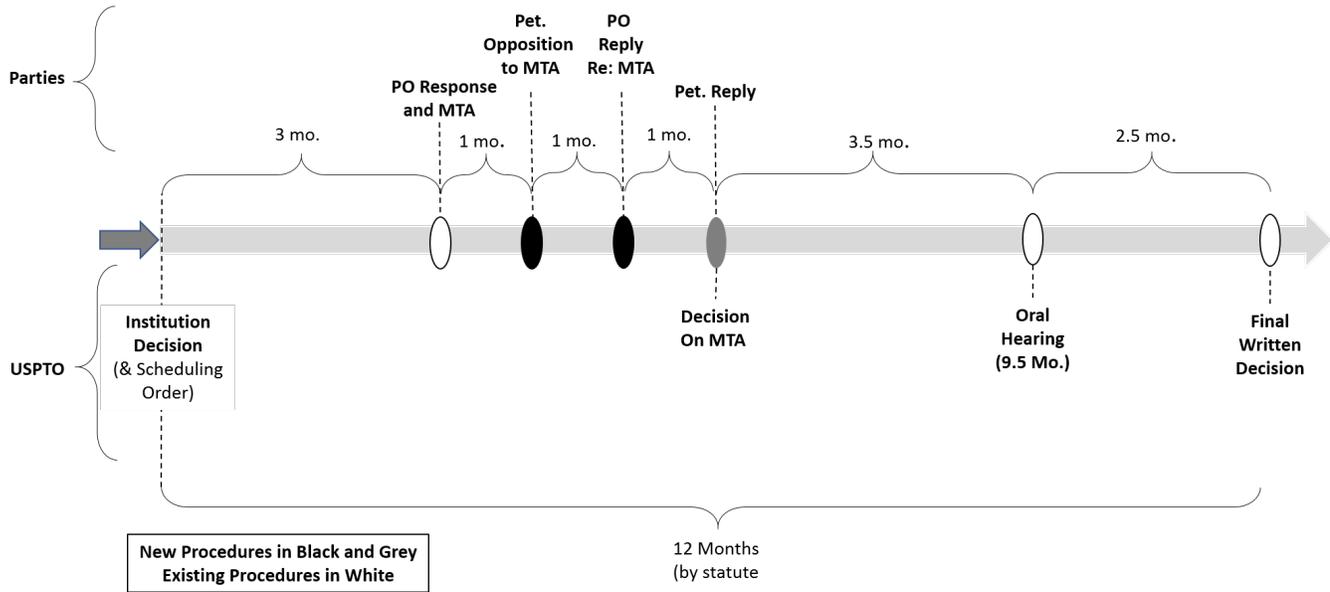
Sincerely,

A handwritten signature in blue ink, appearing to read 'S. Griffin', with a long horizontal flourish extending to the right.

Scot A. Griffin

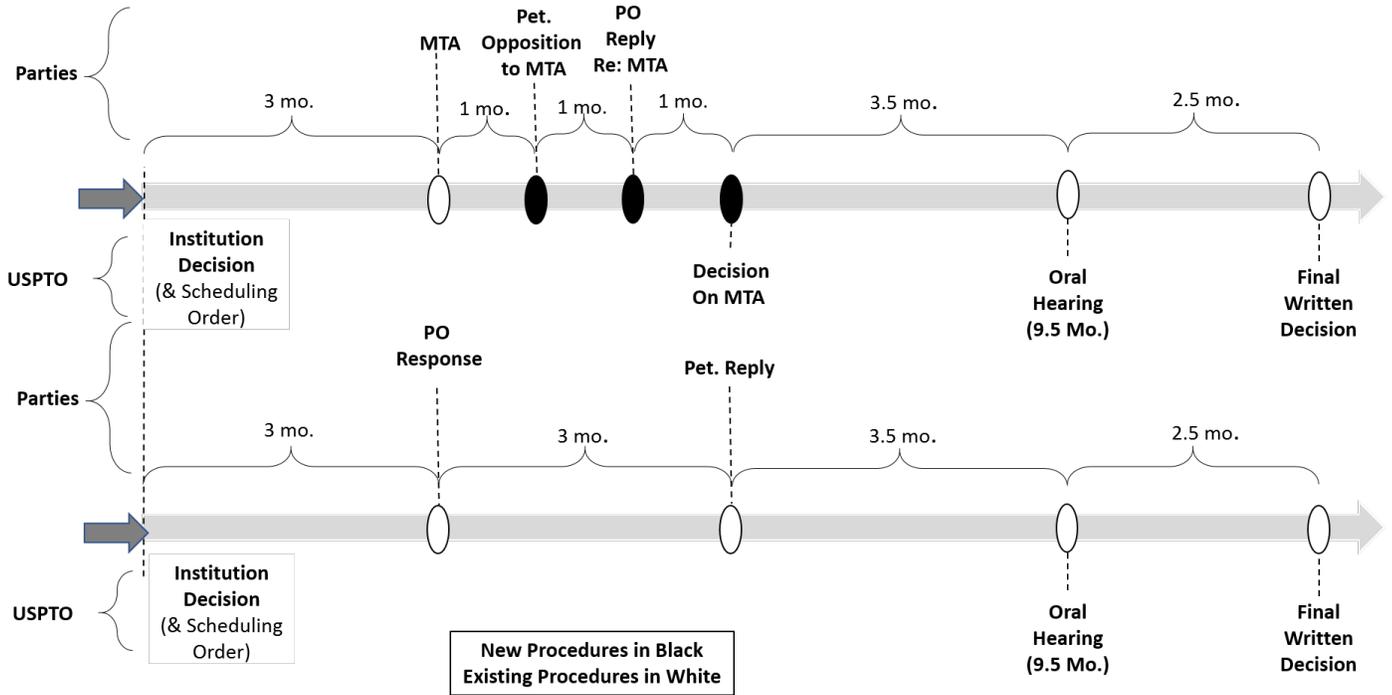
ATTACHMENT 1A

Timeline for Alternative Motion to Amend Process With Deferred Patentability Decision



ATTACHMENT 1B

Overlay for Alternative Motion to Amend Process and AIA Trial Timeline



ATTACHMENT 1C

Timeline for Alternative Motion to Amend Process With Advisory Patentability Decision

