

Mail Stop Patent Board
Director of the United States Patent and Trademark Office
P.O. Box 1450
Alexandria, VA
22313-1450

Attention: Acting Deputy Chief Administrative Patent Judge Jacqueline Wright Bonilla or
Vice Chief Administrative Patent Judge Michael Tierney

PTAB Request for Comments 2018

Re: 83 FR 54319 - Request for Comments on Motion To Amend Practice and Procedures
in Trial Proceedings Under the America Invents Act Before the Patent Trial and Appeal
Board

Your Honors:

I am writing this both in my personal capacity as an inventor on 148 issued US patents,
some of which have been the subject of inter partes reviews (IPR), and in my capacity as
Chief Technical Officer of WiLAN Inc.

General comments:

We feel that a preliminary non-binding decision by the Board evaluating a motion to
amend (MTA) would be helpful in AIA trials. Such a decision would allow the patent
owner to much more efficiently and cost effectively decide between the alternatives of
pursuing claims as presented in the MTA, filing a revised MTA, or abandoning claims. It
could lead to more and earlier settlements. In general, it could make the IPR process
shorter and more cost effective for all parties, including the PTAB.

Additionally, we support the allocation of the burden of persuasion as set forth in the
Western Digital order. As with the original examination of the patent leading up to
issuance by the USPTO, the patent owner should already be indicating why they feel the
modifications to the claims overcome any perceived deficiencies in patentability of the
claims. In an examination, the patent examiner would then, as the entity originally
assuming the burden of proving the unpatentability of the claims, have the
responsibility to show the unpatentability of the modified claims. Hence, in an IPR, the
petitioner should then, as the entity originally assuming the burden of proving the
unpatentability of the claims, shoulder the burden of persuasion to convince the PTAB
of the unpatentability of the modified claims.

Comments with regards to select specific questions:

[Q1] Should the Office modify its current practice to implement the proposal, summarized above and presented in part in Appendix A1? Why or why not?

We feel the Office should modify its current practice to implement the proposal summarized in the Request for Comments [RFC] and presented in part in Appendix A1, for at least the reasons described above.

[Q4] If the Office implements this proposal, should the Board prepare a preliminary decision in every proceeding where a patent owner files a motion to amend that proposes substitute claims?

If the Office implements this proposal, the Board should prepare a preliminary decision in every proceeding where a patent owner files an MTA that proposes substitute claims.

[Q6] If the Office implements this proposal, should there be any limits on the substance of the claims that may be proposed in the revised motion to amend? For example, should patent owners be permitted only to add limitations to, or otherwise narrow the scope of, the claims proposed in the originally-filed motion to amend?

We advocate for the allowance of amendments dealing with 112 and 101 issues not directly raised by the petition, as presented in *Western Digital v. Spex* – “Additional modifications that address potential 35 U.S.C. § 101 or § 112 issues, for example, are not precluded by rule or statute. Thus, once a proposed claim includes amendments to address a prior art ground in the trial, a patent owner also may include additional limitations to address potential § 101 or § 112 issues, if necessary. Allowing an amendment to address such issues, when a given claim is being amended already in view of a 35 U.S.C. § 102 or § 103 ground, serves the public interest by helping to ensure the patentability of amended claims.”

This is also presented in the *Veeam v. Veritas* decision – “Once a proposed claim includes amendments to address the prior art grounds in the trial, a patent owner can also include additional limitations to address potential § 101 or § 112 issues. Allowing an amendment to address potential 35 U.S.C. § 101 or § 112 issues in a motion to amend under 37 C.F.R. § 42.121, when a given claim is being amended already in view of a 35 U.S.C. § 102 or § 103 ground, serves the public interest by ensuring issuance of valid and clear patents.”

[Q10] Should a motion to amend filed under the proposed new process be contingent or non-contingent? For purposes of this question, “contingent” means that the Board will provide a final decision on the patentability of a proposed substitute claim only if it determines that a corresponding original claim is unpatentable (as in the current proposal); and “non-contingent” means that the Board will provide a final decision on

the patentability of substitute claims in place of determining the patentability of corresponding original claims.

An MTA filed by a patent owner is based on a desire to preserve at least some of the property rights granted in a patent. The proposed substitute claims are intended to overcome purported, but not validated, deficiencies in the claims. Since patents should have a presumption of validity, it follows that the MTA should be “contingent” and the patentability of a proposed substitute claim should receive a final decision only if a corresponding original claim is unpatentable. However, the patent owner may feel strongly that changes resulting in substitute claims are necessary and desirable. In such a case, continued review of the original claims is potentially extra work for the Board and may result in retention of a claim that may fail in a subsequent IPR or court challenge. Therefore, we propose that the patent owner be allowed to specify in an MTA or revised MTA whether they wish it to be “contingent” or “non-contingent”. If such specification by the patent owner is not allowed, we support the MTA being “contingent” as in the current proposal.

[Q12] What impact would implementing the proposals above have on small or micro entities who participate as parties in AIA trial proceedings?

The proposed changes to the MTA practice and procedures would greatly benefit small and micro entities. The proposed changes allow any entity to have a much higher likelihood of preserving some useful intellectual property rights at the conclusion of an IPR. For a variety of reasons including but not limited to funding, company lifespan, and market focus, small and micro entities generally have few intellectual property rights. One patent may be a substantial percentage. Preserving those rights has a larger impact on these companies and individuals than on a large corporation. Additionally, we believe that the proposed changes will make settlement more likely. This will save cost for the entities involved and may lead to a higher rate of licensing, which would greatly benefit small and micro entities.

[Q14] Should the Office consider not proceeding with the pilot program in AIA trials where both parties agree to opt-out of the program?

For trials where both parties agree to opt-out of the pilot program, there should be no need for the Office to consider preparing a preliminary non-binding decision on an MTA. The desire to opt-out would likely influence the actions of the parties in ways that may bias the information collected during the pilot program. In these cases, the Board may save time and effort by not preparing a preliminary non-binding decision on an MTA.

[Q15] Should the Office engage in rulemaking to allocate the burden of persuasion regarding the patentability of proposed substitute claims in a motion to amend as set forth in the Western Digital order? What are the advantages or disadvantages of doing so?

We feel the Office should engage in rulemaking to allocate the burden of persuasion regarding the patentability of proposed substitute claims in an MTA as set forth in the Western Digital order, for the reasons described above. This answer does not change whether or not the Office adopts the current proposal including a preliminary decision by the board on a motion to amend.

Sincerely,
Kenneth Stanwood
CTO, WiLAN Inc.