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October 16, 2014

Via e-mail: TrialsRFC2014@uspto.gov

Michelle K. Lee

Deputy Undersecretary of Commerce and Deputy Director
of the United States Patent and Trademark Office

P.O. Box 1450

Alexandria, VA 22313-1450

Re: Comments of the American Bar Association Section of Intellectual
Property Law in Response to the USPTO's Request for Comments
on Trial Proceedings Under the America Invents Act Before the
Patent Trial and Appeal Board

Dear Deputy Director Lee:

The American Bar Association Section of Intellectual Property Law ("IPL
Section") thanks the United States Patent and Trademark Office ("USPTO") for
the opportunity to comment on the USPTO's Request for Comments on Trial
Proceedings Under the America Invents Act Before the Patent Trial and Appeal
Board ("PTAB"). The views expressed herein are presented on behalf of the IPL
Section. They have not been approved by the House of Delegates or the Board of
Governors of the American Bar Association and, accordingly, should not be
construed as representing the views of the Association.

The ABA is the leading national voluntary bar organization of the legal
profession, having nearly 400,000 members. Its members come from each of the
fifty states, the District of Columbia, and the U.S. territories. Membership
includes attorneys in private practice, government service, corporate law
departments, and public interest organizations, as well as legislators, law
professors, law students, and non-lawyer associates in related fields. Particularly,
the IPL Section is the world's largest organization of intellectual property
professionals, with approximately 23,000 members.

The IPL Section appreciates the USPTO's efforts to further improve trial proceedings
under the America Invents Act ("AIA") and invitation for public comment in
response to the questions posed.

Claim Construction Standard

QUESTION 1

Under what circumstances, if any, should the Board decline to construe a claim in an unexpired patent in accordance with its broadest reasonable construction in light of the specification of the patent in which it appears?

RESPONSE TO QUESTION 1

The IPL Section believes that the PTAB should decline to construe a claim in an unexpired patent in accordance with its broadest reasonable construction in light of the specification of the patent where there is no reasonable opportunity to amend one or more claims of the patent for at least the reasons discussed below.¹ In particular, claims should be given the broadest reasonable construction whenever the claims are subject to a reasonable opportunity to amend. Furthermore, a *Phillips* construction should apply when there is *no* reasonable opportunity to amend. *See Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005). A reasonable opportunity to amend claims is currently found in *ex parte* prosecution, reissue practice, and reexamination practice. A reasonable opportunity to amend is not currently allowed in practice in the following proceedings: covered business method review (CBM), *inter partes* review (IPR), post-grant review (PGR), and interference practice.

The USPTO uses the broadest reasonable interpretation standard in pre-issuance proceedings, as well as post-issuance proceedings, such as *ex parte* reexamination and reissue, when amendments are available to the applicant or patent owner. *See S.A.P. America, Inc. v. Versata Development Group*, CBM2012-00001, Paper 70, p. 9 (June 11, 2013). Broadest reasonable interpretation is employed at the USPTO because this standard encourages the applicant to amend the claims so that the claims only cover the actual invention by the applicant. *See, e.g., In re Horton*, 54 F.2d 961, 964-65 (C.C.P.A. 1932). The courts have recognized that this is the standard used by the Patent Office. *See Phillips*, 415 F.3d at 1316-17. Courts, however, construe the claims according to the ordinary and customary meaning of the terms as understood by a person of ordinary skill in the art. *See Phillips*, 415 F.3d at 1312-13.

In reexamination proceedings, a patent owner is “permitted to propose any amendment to the patent and a new claim or claims” apart from claims which enlarge the scope of the patent. 35 U.S.C. § 305 and pre-AIA § 314(a). If an Examiner advances a new rejection in a reexamination, the action normally is not a final action or an action closing prosecution. Even after final action or action closing prosecution, the patent owner can make amendments necessitated by the new rejection. 37 C.F.R. § 1.116. If the PTAB advances a new rejection on appeal, prosecution is reopened and the patentee has a right to amend again. 37 C.F.R. §§ 41.50(b) and 41.77(b). Thus, the patent owner can amend as needed in response to newly-adduced evidence.

In AIA trials, the patent owner is presumptively permitted to file “one motion to amend the patent [limited to] a reasonable number of substitute claims.” *See 35 U.S.C. § 316(d)(1)*. The current rules require filing of a PTAB-approved motion limited to 15 pages, double-spaced, and 14-point font, including the listing of claims and identified support. Afterwards, the petitioner

¹ See response to question 2 for an analysis of what constitutes a reasonable opportunity to amend.

may demonstrate the unpatentability of the amended claims. The patent owner may not further amend to meet new arguments or new evidence advanced by the petitioner in a response or by an Administrative Patent Judge (“APJ”) at trial. The page limits and substantive requirements of a motion to amend have resulted in the denial of almost all motions to amend to date. *See Response to Question 2.*

The USPTO used the rulemaking provided under the AIA to make clear that AIA trials will also use the broadest reasonable interpretation. *See, e.g., S.A.P.*, at 10-19. The USPTO also made clear that when the patent owner no longer has the right to amend the claims, the ordinary and customary meaning of the terms will be used as the standard for claim construction. These situations can include when the patent has expired or been terminally disclaimed. *See Amkor Technology, Inc. v. Tesser, Inc.*, IPR2013-00242, Paper 129, pp. 5-6 (May 22, 2014).

There is no need to modify the claim construction standard used by the USPTO during either pre- or post-issuance proceedings of patents that do not expire prior to the rendering of a final decision provided the patent owner is offered a reasonable opportunity to amend its claims during the proceeding such as in reexamination practice. There is a need to modify the claim construction standard used by the USPTO during AIA trial proceedings of patents that do not expire prior to the rendering of a final decision where patent owner is offered no reasonable opportunity to amend claims during the proceeding. The USPTO should move to a more permissive approach to claim amendments or defer to the *Phillips* approach to claim construction.

Motion to Amend

QUESTION 2

What modifications, if any, should be made to the Board’s practice regarding motions to amend?

RESPONSE TO QUESTION 2

The IPL Section believes the USPTO should relax the page limits on motions to amend, give the patent owner a reasonable opportunity to amend its claims, and remove the burdens placed on patent owner by the PTAB’s decision in *Idle Free*.

A patent owner has the statutory right to “file 1 motion to amend the patent in 1 or more of the following ways: (A) Cancel any challenged patent claim. (B) For each challenged claim, propose a reasonable number of substitute claims.” 35 U.S.C. §§ 316(d)(1) and 326(d)(1). However, the USPTO and PTAB have placed significant burdens on patent owners that have resulted in the routine denial of motions to amend claims. The fact that the PTAB has granted only one motion to amend, which was unopposed, raises serious questions as to the rules regarding motions to amend. First, PTAB rules require the following for motions to amend:

1. the amendments must be responsive to the grounds of unpatentability raised in the IPR petition;
2. the amendments may not enlarge the scope of the claims or introduce new subject matter;

3. the motion to amend must propose a reasonable number of substitute claims; and
4. the motion to amend must set forth the support in the original disclosure of the patent for each claim that is added or amended.

See, e.g., 37 C.F.R. § 41.121. Second, in *Idle Free Sys., Inc. v. Bergstrom, Inc.*, IPR2012-00027, Paper 66, slip op. at 33 (January 7, 2014), the PTAB held that patent owners need to demonstrate patentability over all art known to them. Third, in *Idle Free*, the PTAB specified that the patent owner must discuss the level of ordinary skill in the art and what would have been known by one of ordinary skill with respect to each added feature of the proposed substitute claims. Fourth, the USPTO has placed severe limitations on a patent owner seeking to meet the above requirements by limiting motions to amend to 15 pages (double-spaced, 14-point font), including claims and analysis of support in the specification.

While the requirements of a motion to amend are not in and of themselves overly onerous to a patent owner, the implementation of the rules by placing a burden on the patent owner to, *inter alia*, establish patentability over all prior art known to the patent owner, discuss the level of ordinary skill in the art, and discuss what would have been known by one of ordinary skill with respect to each added feature of the proposed substitute claims *within the page limits for a reasonable number of claims* has effectively removed patent owner's ability to take advantage of the amendment process.

In sum, it is not reasonable with the page limit constraint to adequately address all of the following issues now required by the regulations and PTAB decisions:

1. explain why the amendments are responsive to the grounds of unpatentability raised in the petition,
2. explain why the amendments do not enlarge the scope of the claims or introduce new subject matter,
3. explain the level of ordinary skill in the art,
4. explain what would have been known by one of ordinary skill with respect to each added feature of the proposed substitute claims,
5. explain why each claim is patentable over all prior art known to the patent owner, and
6. identify the written description support for each newly added limitation in each proposed claim.

Therefore, the IPL Section makes the following recommendations:

Eliminate the requirements to explain (1) why a proposed amendment is responsive to the grounds of unpatentability raised in the IPR petition, (2) the level of ordinary skill in the art, (3) what would have been known by one of ordinary skill with respect to each added feature of the proposed substitute claims, and (4) why each claim is patentable over all prior art known to

the petitioner (i.e., requirements 1, 3-5 above). These requirements are not compelled by 35 U.S.C. §§ 316(d)(1) and 326(d)(1). They also unnecessarily burden the patentee. If the petitioner objects to the amendment, it may raise the grounds of unpatentability and the patentee may then reply. The parties' briefing will provide the Office a full record from which to consider whether the proposed amendments are allowable.

Patent Owner Preliminary Response

QUESTION 3

Should new testimonial evidence be permitted in a patent owner Preliminary Response? If new testimonial evidence is permitted, how can the Board meet the statutory deadline to determine whether to institute a proceeding while ensuring fair treatment of all parties?

RESPONSE TO QUESTION 3

The IPL Section believes that patent owners should be permitted to submit new testimonial evidence with a preliminary response. At the petition stage, the schedule does not permit cross-examination of testimonial evidence. So, if the patent owner is also allowed to submit testimonial evidence, the parties are on equal footing, which is important for the fairness of the proceeding.

Obviousness

QUESTION 4

Under what circumstances should the Board permit discovery of evidence of non-obviousness held by the petitioner, for example, evidence of commercial success for a product of the petitioner? What limits should be placed on such discovery to ensure that the trial is completed by the statutory deadline?

RESPONSE TO QUESTION 4

The IPL Section believes that the PTAB should maintain a high standard for granting discovery even when evidence of commercial success of a product is held by petitioner.

The USPTO rules allow for additional discovery during the course of an IPR proceeding, pursuant to 37 C.F.R. § 42.51, which reads in pertinent part, as follows:

- (b) *Limited discovery.* A party is not entitled to discovery except as provided in paragraph (a) of this section, or as otherwise authorized in this subpart
- (2) *Additional discovery.*
 - (i) The parties may agree to additional discovery between themselves. Where the parties fail to agree, a party may move for additional discovery. The moving party must show that such additional discovery is in the interests of justice, except in post-grant reviews where additional discovery is limited

to evidence directly related to factual assertions advanced by either party in the proceeding (*see* § 42.224). The Board may specify conditions for such additional discovery.

The test that is applied in determining whether additional discovery is allowable pursuant to this rule is set forth in *Garmin v. Cuozzo*, IPR2012-00001, Paper No. 26, p. 5 (March 5, 2013), which provides five factors that must be considered:

1. More than a possibility and mere allegation;
2. Litigation positions and underlying basis;
3. Ability to generate equivalent information by other means;
4. Easily understandable instructions; and
5. Requests not overly burdensome to answer.

The above rule and five-factor test should permit a patent owner to obtain additional discovery from a petitioner in circumstances in which the patent owner has demonstrated that the petitioner is reasonably likely to possess evidence of secondary considerations of nonobviousness, such as where the patent owner has demonstrated that the petitioner sells a commercial product meeting each of the limitation of a challenged claim and where the discovery requests are of reasonable scope. Highly targeted and limited discovery requests will ensure that the discovery is not overly burdensome.

Real Party in Interest

QUESTION 5

Should a patent owner be able to raise a challenge regarding a real party in interest at any time during a trial?

RESPONSE TO QUESTION 5

The IPL Section believes that a patent owner should be able to raise a challenge regarding a real party in interest at any time during trial if patent owner can demonstrate that it did not delay in presenting the challenge while in possession of the information necessary to raise the challenge.

Proper identification of the real party in interest is important because the procedures for challenging patents after issuance created under the AIA estop petitioners and any “real party in interest or privy to the petitioner” from requesting or maintaining a proceeding before the USPTO with respect to a claim on any ground that the petitioner raised, or reasonably could have raised, during the IPR. A similar estoppel provision applies to civil actions and proceedings before the International Trade Commission. *See 35 U.S.C. §§ 315(e), 325(e) (2012)*. These estoppel provisions help prevent the use of IPRs as tools for harassment or as a means to prevent market entry through repeated litigation and administrative attacks. *See RPX Corp. v. Virnetx Inc.*, IPR2014-00171, Paper 49, p. 10 (June 5, 2014), *citing* H.R. Rept. No 112-98, at 49 (2011)

(Judiciary Committee Report on H.R. 1249, June 1, 2011). It is also necessary to determine the real party in interest so that it may be determined if the IPR was requested not more than one year after the date in which the petitioner, the real party in interest, or the privy of the petitioner was served with a complaint alleging infringement of the patent. *See 35 U.S.C. § 315(b) (2012)*.

The PTAB should allow for a patent owner to raise a challenge regarding the real party in interest at any time during a trial. In the interest of efficiency, the PTAB should encourage the patent owner to raise this challenge in its preliminary response, when possible, so that the PTAB may consider this issue when determining if the petition should be granted. The patent owner should not, however, be barred from raising this challenge at a later point if the patent owner can provide a reasonable explanation as to why it was not possible to raise a challenge earlier in the AIA proceeding. For example, the PTAB should allow for challenges to the identification of the real parties in interest when the patent owner was not previously aware of facts that would raise doubt as to whether the petition correctly identified all the real parties in interest. This flexible approach will allow the PTAB to determine whether institution of review is appropriate, and will also allow for patent owners to raise this challenge later in the proceedings when circumstances warrant.

Multiple Proceedings

QUESTION 7

How should multiple proceedings before the USPTO involving the same patent be coordinated? Multiple proceedings before the USPTO include, for example: (i) two or more separate AIA trials; (ii) an AIA trial and a reexamination proceeding; or (iii) an AIA trial and a reissue proceeding.

RESPONSES TO QUESTION 7

The IPL Section believes it appropriate to coordinate separate AIA trials on the same patent by consolidating the trials before the same panel. If statutory time constraints permit, it is suggested that separate trials move forward with parallel dates. The IPL Section does not believe that it is practical to coordinate *ex parte* proceedings with AIA trials due to the statutory time constraints of AIA trials. However, a stay of an *ex parte* proceeding should be given consideration when the outcome of an instituted AIA trial may impact the outcome of the *ex parte* proceeding.

Duplicative USPTO proceedings thwart the goal of reducing the expense and burden on implementing multiple patentability disputes that could be resolved in a single proceeding in a single forum. The burden on patent owners facing multiple or concurrent AIA trials, reexamination proceedings, and/or reissue proceedings (as well as possibly litigation in district court) is enormous, and the Office should implement procedures that will alleviate it where possible.

35 U.S.C. § 325(d) provides that during the pendency of any post-grant review, if another proceeding or matter involving the patent is before the Office, the Director may determine the manner in which the post-grant review or other proceeding or matter may proceed, including providing for the stay, transfer, consolidation, or termination of any such matter or proceeding.

The IPL Section believes that the USPTO should use its authority under 35 U.S.C. § 325(d) with the goal of reducing the expense of patentability disputes that could be resolved in a single proceeding in a single forum by consolidating related AIA proceedings before a single panel and staying *ex parte* proceedings when an instituted AIA trial may impact the outcome of the *ex parte* proceeding.

QUESTION 8

What factors should be considered in deciding whether to stay, transfer, consolidate, or terminate an additional proceeding involving the same patent after a petition for AIA trial has been filed?

RESPONSE TO QUESTION 8

The IPL Section believes that the USPTO should consider the statutory requirements of the proceeding, the issues raised in the multiple proceedings, the parties in the multiple proceedings, whether the parties consent to a stay, transfer, consolidation, or termination, whether the decision adversely affects a party's ability to reach a timely conclusion on a patentability issue, and the savings of cost and resources gained by the proposed management of the multiple proceedings.

Staying an *ex parte* case may serve the goals of efficient application of USPTO resources and reducing party expense. A final decision in an AIA trial may significantly simplify the pending reexamination. Further, where a reexamination proceeding is at a stage where a patent owner has the potential to amend claims, allowing the AIA trial to proceed concurrently has the potential to complicate proceedings before the Board and create a quandary for the patent owner in considering claim amendments. When the reexamination is stayed, the PTAB's decisions may govern further proceedings in the reexamination. A stay may be lifted where it becomes clear, for example, in view of a decision not to institute a trial, or to institute a trial on a limited set of claims, such that a decision in the reexamination would not substantially duplicate the work of the PTAB.

The IPL Section believes that the USPTO should use its authority under 35 U.S.C. § 325(d) with the goals of efficient application of Patent Office resources and reducing party expense while giving consideration to the statutory requirements of the proceeding, the issues raised in the multiple proceedings, the parties in the multiple proceedings, and whether the decision adversely affects a party's ability to reach a timely conclusion on a patentability issue.

The PTAB should publish guidelines for petitioners that want to file review petitions on patents that may leave reexamination soon. For instance, a petitioner may be nearing a one-year statutory deadline, and a patent may also be about to leave reexamination with amended claims. The IPL Section believes that petitioners in these instances should argue the unpatentability of both the amended and unamended claims to address the possibility of a reexamination certificate issuing. Petitioners may be confused absent clear guidance from the PTAB regarding this situation.

QUESTION 9

Under what circumstances, if any, should a copending reexamination proceeding or reissue proceeding be stayed in favor of an AIA trial? If a stay is entered, under what circumstances should the stay be lifted?

RESPONSE TO QUESTION 9

The IPL Section believes that a stay of copending reexaminations or reissues should occur when an AIA trial has been instituted, and lifted when a Final Written Decision has been rendered.

Staying an *ex parte* proceeding may serve the goals of efficient application of USPTO resources and reducing party expense. Factors that should be considered include the statutory requirements of the proceeding, the issues raised in the multiple proceedings, the parties in the multiple proceedings, the likelihood of the patent reissuing, and whether the decision adversely affects a party's ability to reach a timely conclusion on a patentability issue. A final decision in an AIA trial may significantly simplify the pending *ex parte* proceeding. When the *ex parte* proceeding is stayed, the PTAB's decisions in the AIA trial may govern further proceedings in the *ex parte* proceeding. A stay may be lifted where it becomes clear, for example, in view of a decision not to institute a trial, or to institute a trial on a limited set of claims, such that a decision in the *ex parte* proceeding would not substantially duplicate the work of the PTAB.

QUESTION 10

Under what circumstances, if any, should an AIA trial be stayed in favor of a copending reexamination proceeding or reissue proceeding? If a stay is entered, under what circumstances should the stay be lifted?

RESPONSE TO QUESTION 10

The IPL Section believes that there are no circumstances wherein an AIA trial should be stayed in favor of a co-pending reexamination or reissue proceeding.

Unlike AIA trials, *ex parte* proceedings do not have a statutorily-mandated timeframe. Therefore, a stay of an AIA proceeding could severely impact the ability to conclude the AIA proceeding within the statutorily-mandated timeframe should the *ex parte* proceeding delay the AIA proceeding. If a reexamination or reissue proceeding is copending at the time a review petition is filed and, prior to the deadline for a Decision to Institute, some or all of the claims for which review is being sought are/will be the subject of a certificate of reissue or reexamination, then the PTAB should decline to institute a trial for any claims that were amended. The statutory authority for a review petition in 35 U.S.C. §§ 314/324 is limited to the "claims challenged in the petition." Once a claim has been amended, there is no authority for the PTAB to institute an AIA trial on that petition.

QUESTION 11

Under what circumstances, if any, should a copending reexamination proceeding or reissue proceeding be consolidated with an AIA trial?

RESPONSE TO QUESTION 11

The IPL Section believes that there are no circumstances wherein an AIA trial should be consolidated with a reexamination or reissue proceeding. Rather than being consolidated, the *ex parte* reexamination or reissue proceedings should be stayed if an AIA trial is instituted in a review proceeding.

Proceedings in front of the PTAB (AIA trials) and the Central Reexamination Unit (“CRU”) (*ex parte* reexamination and reissues) should remain separate and not be consolidated. Rather than being consolidated, the *ex parte* proceedings should be stayed if a trial is instituted in a review proceeding. *See* Responses to Questions 8-10.

QUESTION 12

How should consolidated proceedings be handled before the USPTO? Consolidated proceedings include, for example: (i) consolidated AIA trials; (ii) an AIA trial consolidated with a reexamination proceeding; or (iii) an AIA trial consolidated with a reissue proceeding.

RESPONSE TO QUESTION 12

The IPL Section believes it is appropriate to coordinate separate AIA trials on the same patent by consolidating the trials before the same panel. If statutory time constraints permit, it is suggested that separate trials move forward with parallel dates. The IPL Section does not believe that it is practical to coordinate *ex parte* proceedings with AIA trials due to the statutory time constraints of AIA trials. However, a stay of an *ex parte* proceeding should be given consideration when the outcome of an instituted AIA trial may impact the outcome of the *ex parte* proceeding. *See* Response to Question 7.

The IPL Section believes that there are no circumstances wherein an AIA trial should be consolidated with a reexamination or reissue proceeding. Rather than being consolidated, the *ex parte* reexamination or reissue proceedings should be stayed if an AIA trial is instituted in a review proceeding.

AIA trials and the CRU should remain separate and not be consolidated. Rather than being consolidated, the *ex parte* proceedings should be stayed if a trial is instituted in a review proceeding. *See* Responses to Questions 8-10.

QUESTION 13

Under what circumstances, if any, should a petition for an AIA trial be rejected because the same or substantially the same prior art or arguments previously were presented to the USPTO in a different petition for an AIA trial, in a reexamination proceeding or in a reissue proceeding?

RESPONSE TO QUESTION 13

The IPL Section sees this question as at least two distinct questions – one based upon the same or substantially the same prior art and one based upon the same or substantially the same arguments previously presented to the USPTO. As to the same or substantially the same prior art,

the IPL Section cannot envision circumstances under which a Petition should be rejected solely due to the use of the same art or substantially the same art. Because different third parties may have very different arguments regarding that art, the third party Petitioner should not be prejudiced by any prior assertion of the art. As to the same or substantially the same arguments previously presented to the USPTO, the IPL section believes there should be no *per se* rejection based upon such arguments. However, if those arguments are not accompanied by new evidence supporting the arguments, then the PTAB may determine that petitioner's chances of establishing that there is a reasonable likelihood that at least one challenged claim is unpatentable are lower than if those arguments had not previously been presented. In other words, the petitioner's burden should be somewhat heavier if the same or substantial the same prior art or argument has been previously considered and rejected.

Extension of 1 Year Period to Issue Final Determination

QUESTION 14

What circumstances should constitute a finding of good cause to extend the 1-year period for the Board to issue a final determination in an AIA trial?

RESPONSE TO QUESTION 14

The IPL Section believes that there should remain a high bar for establishing "good cause" to extend the 1-year period for the Board to issue a final determination in an AIA trial.

IPR proceedings were intended to provide a quick and efficient resolution to questions of patentability. As such, proceedings are to be completed within one year except in limited circumstances in which the time period is extended to 18 months.

To that end, 37 C.F.R. § 42.100(c) states

An inter partes review proceeding shall be administered such that pendency before the Board after institution is normally no more than one year. The time can be extended by up to six months for good cause by the Chief Administrative Patent Judge, or adjusted by the Board in the case of joinder.

Given that the intended purpose of AIA proceedings is to provide an avenue to challenge patentability in a rapid, efficient, and cost-effective manner, the "good cause" bar should be quite high. It should essentially only be found to exist where an unforeseen circumstance makes it impossible to complete the proceeding in a fair manner within the one-year time period or where delaying the proceeding by an additional six months will allow for more finality to the PTO proceedings for the patent at issue, or may even make the proceeding unnecessary.

To that end, good cause should exist where the parties or their counsel meet with an unexpected circumstance that was beyond their control that makes completing the proceeding within the allotted time frame extremely difficult, if not impossible. One such example could include illness of essential counsel or witnesses.

Oral Hearing

QUESTION 15

Under what circumstances, if any, should live testimony be permitted at the oral hearing?

RESPONSE TO QUESTION 15

The IPL Section believes that the PTAB should consider allowing live testimony where either party requests it or where the issues to be decided turn upon conflicting expert testimony. Live testimony is one of the hallmarks of the common law justice system. It is integral to issues of credibility and weighing of evidence. And because the stakes in some of the PTAB's post-grant proceedings are exceedingly high (millions or even billions), the parties should be allowed the opportunity to present live testimony if desired.

QUESTION 16

What changes, if any, should be made to the format of the oral hearing?

RESPONSE TO QUESTION 16

The IPL Section believes that no changes should be made to the format of the oral hearing, which is generally left to the discretion of the panel.

Currently, parties must submit a request for oral argument if such oral argument is desired, wherein the request "must specify the issues to be argued." *See 37 C.F.R. § 42.70*. Such rule does not specify whether the oral argument must be limited to the issues identified in the request. The USPTO should clarify whether parties are limited to arguing issues specified in the request for oral argument.

In some cases, the USPTO schedules an oral argument over multiple sessions, *e.g.*, in proceedings involving consolidated IPRs. The USPTO should consider making all judges of a proceeding available for each session of an oral hearing that takes place over multiple sessions. While the hearing transcript is available to the PTAB after the hearing, parties typically have considerable interaction with the PTAB during the hearing. Having the entire Board present at all sessions would allow for a more productive hearing.

The PTAB should consider providing several extra days to the current schedule to permit the parties to exchange and confer on demonstratives (5 days before the Oral Argument) prior to filing the demonstratives with the PTAB (2 days before Oral Argument). Allowing additional days, for example, exchange 7 days in advance and service on the PTAB 4 days in advance, would give the PTAB and the parties more time to work through and resolve any objections to the demonstratives that may be lodged when the demonstratives are filed with the PTAB.

General

QUESTION 17

What other changes can and should be made in AIA trial proceedings? For example, should changes be made to the Board's approach to instituting petitions, page limits, or request for rehearing practice?

RESPONSE TO QUESTION 17

The IPL section believes that the USPTO should adopt rules regarding use of party confidential information produced under a protective order in parallel district court proceeding. Under current PTAB practice, parties may obtain party confidential information in parallel district court proceedings and submit those materials in an AIA proceeding under the protections of a protective order and a motion to seal. However, party confidential information submitted in the AIA proceeding may be that of the opponent, not the proponent, of the confidential information. In such cases, there is little incentive for the proponent of the evidence to either limit the evidence to that which has a nexus to the challenged claims or to provide sufficient argument to maintain the evidence confidential. Moreover, there is no guarantee that the motion to seal will be granted or that, even if granted, the materials will not become public through the AIA proceeding.

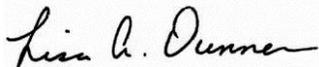
The IPL section suggests that a party who wants to place its opponent's or other third party confidential information into the record be required to first initiate a conference call with the PTAB, identify the materials to be used, and explain why there is a nexus between the evidence and the challenged claims. Then, should the PTAB authorize the filing of the evidence, it is suggested that the opponent be afforded an opportunity to explain why the evidence be maintained under seal.

The IPL Section also suggests that the PTAB consider adopting a petition page limit that is tied to the number of claims challenged so that multiple petitions are not filed on a single patent simply because of the page limits.

Conclusion

The IPL Section appreciates the opportunity to provide the above comments. If you have any questions on our comments or would wish for us to further explain any of our comments, please feel free to contact me. Either I or another member of the leadership of the Section will respond to any inquiry.

Very truly yours,



Lisa A. Dunner
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