

October 16, 2014

The Honorable Michelle K. Lee  
Deputy Under Secretary of Commerce for Intellectual Property and  
Deputy Director of the United States Patent and Trademark Office  
United States Patent and Trademark Office  
600 Dulany Street  
Alexandria, VA 22314

*Via email: TrialsRFC2014@uspto.gov*

**Re: Response to the Request for Comments on “Trial Proceedings Under the America Invents Act Before the Patent Trial and Appeal Board,” 79 Fed. Reg. 36474 (June 27, 2014); Extension of Period for Comments, 79 Fed. Reg. 56776 (September 23, 2014)**

Dear Deputy Under Secretary Lee:

The American Intellectual Property Law Association (“AIPLA”) is pleased to have the opportunity to present its views on the United States Patent and Trademark Office (“Office”) Request for Comments entitled “Trial Proceedings Under the America Invents Act Before the Patent Trial and Appeal Board” as published in the June 27, 2014 issue of the Federal Register, 79 Fed. Reg. 36474 (“Request”).

AIPLA is a U.S. based national bar association comprising approximately 15,000 members who are primarily lawyers in private and corporate practice, government service, and the academic community. AIPLA members represent a diverse spectrum of individuals, companies, and institutions, and are involved directly and indirectly in the practice of patent, trademark, copyright, unfair competition, and trade secret law, as well as other fields of law affecting intellectual property, in the United States and in jurisdictions throughout the world.

The Request seeks public comments on all aspects of the new Leahy-Smith America Invents Act (AIA) administrative trial proceedings rules and trial practice guide. Specifically, the Request follows up on feedback the Office received in its nation-wide listening tour in April and May 2014 on the AIA trial proceeding rules and trial practice guides. The Request indicates that the Office is especially interested in receiving comments on 16 different topics identified in the Request, and includes a 17<sup>th</sup> request for comments on any other changes that can and should be made in the AIA trial proceedings.

AIPLA appreciates the Office’s commitment to revisit the rules and practice guide after initial experience with the new AIA trials. The following comments, questions, and concerns in response to the Request are submitted for Office consideration.

**The Board appears overly concerned with achieving a “fast” result for AIA trials, but should balance that by also striving for a “fair” process.**

While AIPLA recognizes the workload burden and statutory deadlines imposed on the Office by the large number of AIA trial proceedings, there is concern that the Office is primarily focused on changes to the trial proceeding rules and trial practice guide that improve the speed and efficiency of how the Office handles these proceedings. AIPLA urges the Office to give further consideration to changes that improve the perception of fairness of these proceedings by all participants. The long-term success of the new AIA trial proceedings will turn not only on how fast the proceedings are disposed of by the Office, but also on how fair the proceedings are perceived by patent owners, petitioners and the public at large.

For example, AIA trials now follow a typical 7-month schedule in the Standard Scheduling Order. Given the 12-month statutory timeline once an AIA trial is instituted, this means that 5 months are being reserved for the Patent Trial and Appeal Board (“Board” or “PTAB”) to draft and issue the written decision. This 7-month schedule is less than the more generous 9-month schedule that had been employed in numerous AIA trials in the 2012-13 timeframe. Further, it appears that this 7-month schedule is being reduced to a 6-month schedule in trial proceedings where there is no motion to amend (e.g., trial proceedings involving an expired or soon to expire patent). Given that the Board panels are already well-versed in the issues by the time of the Oral Argument in a given proceeding, AIPLA questions whether reserving nearly half of the 12-month statutory trial period for the Board to render a Final Written Decision is prudent, especially since the Board has the statutory authority to extend the 12-month statutory deadline if the drafting requires additional time.

Instead of compressing the time period for the AIA trials, AIPLA urges the Board to further manage the proceedings by reducing the number of issues in any given AIA trial through the use of earlier interlocutory rulings on motions to amend, claim construction disputes, and motions to exclude. For example, instead of automatically providing for a period for motions to exclude in the Standard Order, the Board could require a party to obtain authorization for a motion to exclude within a predetermined time after an objection is entered, and then rule on such motions prior to the Oral Argument. A more proactive management of the process tailored to the needs of each individual trial should help the Board better manage timelines and also produce a better perception of the overall fairness of the process.

AIPLA’s responses to the 17 questions posed in the Request are as follows.

***Response to 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?*

**The Board should use a *Phillips/Markman*-style claim construction standard in review proceedings because the challenged claims are issued and cannot be freely amended.**

When the Office promulgated the Rules, the primary justification given for applying the broadest reasonable interpretation (“BRI”) standard in the review proceedings was the patent owner’s opportunity to amend the patent claims.<sup>1</sup> The secondary justification was that the Office needed to use a common standard for all proceedings.<sup>2</sup> After nearly two years of experience with the AIA review proceedings, neither justification supports using a claim interpretation standard for AIA review proceedings that is different from that required of courts under *Phillips/Markman*.<sup>3</sup>

The BRI standard, adopted in the 1920’s, was justified by the ability of patent applicants to “freely” amend claims during prosecution.<sup>4</sup> Under the current review proceedings, however, a claim amendment is available only by motion under 35 U.S.C. §§316(d)/326(d), unlike amendments permitted as a matter of right during original prosecution or reexamination. Consequently, the original rationale for the BRI standard in prosecution is not directly applicable to claim construction during review proceedings. The Board’s track record of denying all but one motion to amend,<sup>5</sup> and generally staying co-pending reexamination proceedings for the same

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<sup>1</sup> “*Office Patent Trial Practice Guide*,” 77 Fed. Reg. 48755, 48764 (August 14, 2012) (“Since patent owners have the opportunity to amend their claims during IPR, PGR, and CBM trials, unlike in district court proceedings, they are able to resolve ambiguities and overbreadth through this interpretive approach, producing clear and defensible patents at the lowest cost point in the system.”); *see also* Brief for the Intervenor–Director, at 39-44 in *Versata Dev. Gp. v. SAP America*, Appeal No. 2014-1194 (filed May 1, 2014) (justifying Rule 42.100(b)).

<sup>2</sup> “*Office Patent Trial Practice Guide*,” 77 Fed. Reg. 48755, 48764 (August 14, 2012) (“[M]ajor difficulties would arise where the Office is handling multiple proceedings with different applicable claim construction standards.”).

<sup>3</sup> *See Phillips v. AWH Corporation*, 415 F.3d 1303 (Fed. Cir. 2005) (en banc), and *Markman v. Westview Instruments, Inc.*, 52 F.3d 967 (Fed. Cir. 1995) (en banc), *aff’d* 517 U.S. 370 (1996).

<sup>4</sup> The phrase “broadest reasonable interpretation” originated in the context of the differences in claim interpretation applied when an application is pending and after issuance and therefore was not intended to apply to issued patents, whether in a reexamination context or a litigation context. *See In re Carr*, 297 F.2d 542, 544 (D.C. Cir. 1924). Its use as a legal construct originated as a give and take between the applicant and the Patent Office to determine the true scope of claims awardable to the applicant during the application stage, specifically because at that stage the claims can be freely changed at any time. *In re Skvorecz*, 580 F.3d 1262, 1267 (Fed. Cir. 2009) (“Its purpose is to facilitate exploring the metes and bounds to which the applicant may be entitled, and thus to aid in sharpening and clarifying the claims during the application stage, when claims are readily changed.”) Interpretation of issued claims that can no longer be amended during reexamination is more akin to interpretation of claims of an expired patent during reexamination, which are given the litigation standard that expressly incorporates the specification and prosecution history. *See* MPEP § 2258(G) (The litigation standard “should be applied since the expired claims are not subject to amendment.”).

<sup>5</sup> The only reported Final Written Decision to date that has authorized a motion to amend has been *International Flavors & Fragrances Inc. v. U.S. Department of Agriculture*, IPR2013-00124, Paper 12, May 20, 2014. The government as the patentee was permitted to substitute 19 new claims in place of the originally patented claims

claims,<sup>6</sup> confirms that the original justifications for the BRI standard for claim construction standard are inapplicable to AIA trials.

The Board has explained that, where there are two different and equally reasonable constructions of the same claim term, the BRI is the one that encompasses both. Where different constructions of the same claim term are equally plausible under either the BRI approach or the *Phillips/Markman* approach, the PTAB has said it cannot adopt the court's narrower construction which may take into account the preservation of validity or public notice.<sup>7</sup> "Our claim construction standard, however, does not take factors such as the preservation of validity into account."<sup>8</sup>

While that approach works well for an application under examination, the presumption of validity applicable to an issued patent under Section 282(a) cannot simply be ignored.

Under Sections 316(e) and 326(e), petitioners in review proceedings must show unpatentability by a "preponderance of the evidence," and not by the "clear and convincing evidence" required in court proceedings. However, this burden of proof standard for AIA trials did not expressly eliminate the statutory presumption of validity and its effect on claim construction. Given the illusory and contingent nature of the opportunity to amend claims, it is neither fair nor consistent with the statute for the Board to find a claim unpatentable based on a broader claim interpretation than would be unavailable in a court proceeding.

As both the Office and Congress have recognized, AIA review proceedings are adjudicatory in nature as to issued patents and are not examinations or reexaminations.<sup>9</sup> Consequently, the "public right" exception recognized for using the BRI standard in the reexamination context is not applicable to an AIA review proceeding.<sup>10</sup> Notably, the House of Representatives overwhelmingly approved recent legislation (H.R. 3309) with clarifying amendments to Sections 316(a) and 326(a) to require that a patent claim in an AIA review proceeding "shall be construed as such claim would be in a civil action to invalidate a patent under section 282(b)."<sup>11</sup> This widely supported provision supports AIPLA's position that the use of the BRI standard for these proceedings is not what Congress intended.

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(original claims 1-26 were cancelled outright). Critics have pointed out that the motion to amend in this proceeding was unopposed, and was essentially a settlement by amendment; challenger was satisfied that new claims were no longer a threat and simply walked away.

<sup>6</sup> See, e.g., *CBS Interactive Inc. v. Helferich Patent Licensing, LLC*, IPR2013-00033, Order to Stay Reexam, Paper 15, Nov. 6, 2012 (Designated as a Representative AIA Decision).

<sup>7</sup> *Google, Inc. v. Whitserve LLC*, IPR2013-00249, Paper 32, September 9, 2014, pp. 21-22.

<sup>8</sup> *Id.*

<sup>9</sup> See, e.g., *Idle Free Sys. v. Bergstrom, Inc.*, IPR2012-00027, Paper 26, at 7 (June 11, 2013); see also *Abbot Labs v. Cordis Corp.*, 710 F.3d 1318, 1326 (Fed. Cir. 2013).

<sup>10</sup> See Rothwell, "The Significance of Patent Invalidity as a Public Right," IP360, February 12, 2014, <http://www.law360.com/articles/499760/the-significance-of-patent-invalidity-as-a-public-right>.

<sup>11</sup> See *Innovation Act*, H.R. 3309, Section 9(b); passed by House of Representatives, Dec. 5, 2013, Cong. Rec., 12/5/2013, pp. H7511-7556.

Furthermore, consistent with the proposed application of *Phillips/Markman*, AIPLA also believes that, where the claim terms in dispute in an AIA review proceeding have been construed in a final, non-appealable court decision involving the same parties or their privies, the Board should adopt that claim construction as a matter of issue preclusion.<sup>12</sup>

**The Office should consider adopting a shortened claim construction briefing process before the Patent Owner Response if claim terms remain contested after the Initial Conference Call.**

AIPLA also urges the Office to consider whether the Board can address claim construction issues before the patent owner files its Patent Owner Response, as opposed to the current practice of finalizing claim construction as part of a Final Written Decision.<sup>13</sup> Where there are claim terms that remain contested by the parties after the Decision to Institute, the Rules should be sufficiently flexible to permit, in appropriate cases, a shortened *Markman*-like briefing and claim construction order after the Initial Conference Call or upon a motion by the patent owner, but before the Patent Owner Response. Adopting such a *Markman*-like process would enable the parties to present evidence and arguments based on a common claim construction, and provide additional safeguards of due process for review of patentee's otherwise granted claims.

*Response to Question 2: What modifications, if any, should be made to the Board's practice regarding motions to amend?*

**Petitioners should not be required to establish patentability of a proposed amended claim in order for a motion to amend to be granted. Rather, motions to amend in an AIA trial should be evaluated under the standards set forth in 37 C.F.R. §1.111(a)(2).**

The Board's practice to date 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. AIPLA urges the Office to change its practice to evaluate a motion to amend in an AIA trial in the same way that the entry of a supplemental response in prosecution is evaluated, as under 37 C.F.R. §1.111(a)(2) for example. Authorizing 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.

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<sup>12</sup> See, footnote 20.

<sup>13</sup> See, e.g., *CBS Interactive Inc. v. Helferich Patent Licensing, LLC*, IPR2013-00033, Paper 122, p. 9 (March 3, 2014).

Under 37 C.F.R. § 42.121(a)(2), there are only two circumstances in which a motion to amend may be denied:

- (1) where “[t]he amendment does not respond to a ground of unpatentability involved in the trial,” and
- (2) where “[t]he amendment seeks to enlarge the scope of the claims of the patent or introduce new subject matter.”

This regulation requires a patent owner to show that a proposed amendment *responds to* an asserted ground of unpatentability. The requirement makes sense since the purpose of permitting amendments in an inter partes review proceeding is to allow the patent owner to address arguments raised by the petitioner, not to allow claim amendments for other reasons.

However, the regulation does not permit the Board under the standards set forth in the *Idle Free* decision to require a patentee to *establish patentability* as a condition of amending its claims.<sup>14</sup> By its plain terms, the Board may not deny a motion to amend because the patent owner has not *established*, in the context of the motion, that the amended claim would be *patentable*. On the contrary, the purpose of the trial is to evaluate patentability, and if an amended claim is properly before the Board – because the motion to amend meets the requirements of Rule 42.121– the patentability of that amended claim must be evaluated in light of all of the evidence, not just on the limited record of a motion to amend.

The Board’s assertion that the patent owners bears the burden of proving the patentability of a proposed amended claim also conflicts with the statute, which places the burden of proving *unpatentability* on the petitioner in an AIA review proceeding.<sup>15</sup> Petitioner’s statutory burden to prove unpatentability should apply to any patentability challenges to proposed amended claims presented in AIA review proceedings.<sup>16</sup> Accordingly, even if the Office did expressly promulgate regulations that required a patent owner to demonstrate, as a condition for amending its claims, that a proposed amendment was patentable, such regulations would be directly contrary to the statute.<sup>17</sup>

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<sup>14</sup> See *Align Tech., Inc. v. ITC*, 2014 U.S. App. LEXIS 13717 (Fed. Cir. July 18, 2014) (“ ‘It is a familiar rule of administrative law that an agency must abide by its own regulations.’” *Ford Stewart Sch. v. Fed. Labor Relations Auth.*, 495 U.S. 641, 654 (1990) (citations omitted). Because the Commission circumvented its own rules without waiving, suspending, or amending them, we find that its review ... was “arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.”).

<sup>15</sup> See e.g., 35 U.S.C. §§ 316(e) and 326(e).

<sup>16</sup> There is no dispute that “[t]he moving party has the burden of proof to establish that it is entitled to the requested relief.” 37 C.F.R. § 42.20(c). But to establish the right to have a motion to amend claims considered, the Rules only require the moving party to show that the amendments are responsive to a ground of patentability involved in the trial, are supported in the specification, and not expand the scope of any claim.

<sup>17</sup> See, e.g., *Rambus Inc. v. Rea*, 731 F.3d 1248, 1255 (Fed. Cir. 2013) (vacating Board’s decision in inter partes reexamination in part because Board committed “legal error” by “erroneously plac[ing] the burden on Rambus to prove that its claims were not obvious”).

**The Office should relax the page limits for motions to amend if the standards under *Idle Free* are sustained.**

The current 15-page limit is inadequate for patent owners to properly present a case for authorizing a motion to amend claims under the Board's current standards.

As discussed in the Board's *Idle Free* decision, the statute at Section 316(d)(1)(B) states that "a reasonable number of substitute claims" may be proposed for each challenged claim and that one substitute claim for each challenged claim is presumed to be reasonable. Rule 42.121(a)(2) states that the motion to amend may be denied if the amendment does not respond to a ground of unpatentability involved in the trial or seeks to enlarge the scope of the claims. The *Idle Free* decision further requires a showing of patentable distinction over the prior art, over all other proposed substitute claims for the same challenged claim, over a substitute claim for another challenged claim.

AIPLA suggests that the Office should revisit the appropriate amounts of any limits for both patent owner and petitioner papers once it has revised the rules and guidelines for motions to amend, and should ensure that any such limits are not so strict as to preclude the parties from presenting an appropriate case for or against or in support of a reply for a motion to amend.

At a minimum, AIPLA urges the Office to revise the Rules to allow the listing of the proposed amended claims to be part of an exhibit and not counted towards any limits (pages or otherwise) for the motions or responses.

*Response to 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?*

**The Office should permit testimonial evidence as part of the Patent Owner Preliminary Response, and should evaluate the credibility of that evidence the same way the Board currently evaluates testimonial evidence submitted with a Petition.**

AIPLA urges the Office to allow a patent owner to present new testimonial evidence as part of the Patent Owner Preliminary Response. The scope of such new testimonial evidence should be limited to rebuttal of the declaration testimony submitted by the petitioner.

Evaluation of such competing testimonial evidence without the benefit of cross-examination is no different from evaluation of competing declarations in an *inter partes* reexamination. Such evidence would be weighed by the Board as part of its determination of whether the corresponding threshold was met for institution of a trial for an AIA review proceeding in the same manner that unchallenged testimonial evidence of the petitioner is considered. Consideration of this evidence and the petitioner's testimonial evidence would not require significantly more

effort by the Board. The patent owner's new testimonial evidence could be limited to rebuttal of the petitioner's declaration testimony, no cross examination would be permitted, and any arguments made by the patent owner would be set forth in the Preliminary Response, not the testimonial evidence.

Based on the decisions reported to date, the institution stage of the AIA review proceedings appears to be very important in determining outcome. The Decision to Institute is in many proceedings tantamount to a ruling on the merits. Preventing a patent owner from fully countering the petitioner's testimonial evidence may contribute to biasing the result in favor of the petitioner. Once an AIA trial is instituted, the patent owner faces the difficult challenge of persuading the Board to change its initial determination.

Allowing testimonial evidence by the patent owner prior to the decision to institute trial in the manner suggested would not materially impact the schedule because the Board already will be considering all of the issues addressed in such testimony as part of its consideration on whether or not to institute an AIA trial. For example, the Board can decide that there is a material issue of fact based on the competing testimonial evidence that, if proven in favor of the petitioner, would meet the threshold for instituting a trial. In such situations, institution of a trial to permit cross-examination of the declarants for both the petitioner and the patent owner would be appropriate. Further, in view of the patent owner's testimonial evidence, the Board may determine that the petition should not be granted, thereby decreasing the workload of the Board.

*Response to 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?*

**The Board should permit discovery of evidence of secondary considerations from petitioner in situations where patent owner has presented a prima facie case for the nexus of such evidence.**

AIPLA urges the Board to allow the patent owner to obtain from the petitioner limited discovery of evidence of secondary considerations of nonobviousness, such as commercial success, where patent owner can make a good-faith argument that there is a nexus between such evidence and the claimed invention. This threshold requirement could be satisfied, for example, with evidence of infringement contentions offered in corresponding district court litigation for that purpose.

To require proof of the nexus between secondary considerations evidence and the claimed invention before authorizing additional discovery places too high a burden on the patent owner. The burden of establishing that nexus would still remain on the patent owner after such additional discovery is authorized. The additional discovery could be limited in scope, e.g., to summary sales figure information, and could be subject to confidentiality limitations. In addition,

the Board in some circumstances might need to extend the pendency of the proceeding to accommodate the necessary discovery.<sup>18</sup>

*Response to Question 5: Should a patent owner be able to raise a challenge regarding a real party in interest at any time during a trial?*

**The Office should permit the patent owner to raise a challenge regarding a real party in interest at any time during an AIA trial.**

Because the “real party in interest” determination is a jurisdictional question for an AIA review proceeding, AIPLA believes that a patent owner should be able to raise that question at any point during the proceeding, including after a trial has been instituted.

The same approach should be used for a determination of privity. Most often, facts relating to determinations of real party in interest or privity are solely within the possession of the petitioner or covered by a protective order. As a result, it is often difficult, if not impossible, to obtain and use this information in a Patent Owner Preliminary Response.

**The Board should be more liberal in granting additional discovery for Sections 315(b)/325(b) issues regarding a real party in interest and privity.**

Sections 315(b) and 325(b) of the statute bar the commencement of an *inter partes* and post grant review proceeding if either requested more than one year after the petitioner, its real party in interest, or its privy was served with an infringement complaint on the patent for which review is sought. Because these are jurisdictional elements which must be proved by the petitioner, the rules should default toward allowing appropriate motions for additional discovery on Section 315(b) and 325(b) issues.

AIPLA urges the Board to acknowledge in the trial proceeding rules and in trial practice guidelines that the petitioner bears not only the burden of producing evidence that it has standing to bring the action, but also that it has the burden of persuasion on this issue. The Office should be aware that “real” petitioners are increasingly sophisticated about using straw-men third parties to file petitions. AIPLA believes that the only effective way to police abuses of standing requirements in AIA review proceedings is for the Board to be open and liberal with discovery relating to these types of issues.

*Response to Question 6: Are the factors enumerated in the Board’s decision in *Garmin v. Cuozzo*, IPR2012–00001, appropriate to consider in deciding whether to grant a request for additional discovery? What additional factors, if any, should be considered?*

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<sup>18</sup> Other limitations are provided in the statute. See 35 U.S.C. 316(a)(5) (“such discovery shall be limited to— ... (B) what is otherwise necessary in the interest of justice”); and 35 U.S.C. 326(a)(5) (“discovery shall be limited to evidence directly related to factual assertions advanced by either party in the proceeding”).

**The *Garmin* factors are appropriate, but they need further clarification to permit additional discovery in certain situations.**

AIPLA believes that the *Garmin* factors are appropriate, but they are sometimes being applied incorrectly, resulting in a circular threshold.<sup>19</sup>

In practice, the factors are often used by the Board to require the moving party to actually have the evidence being sought in order for additional discovery to be authorized. The desire to constrain open-ended fishing expeditions should not be used by the Board to require that a party actually possess the information being sought before additional discovery is authorized.

The Board should add the following additional factors to those enumerated in *Garmin*:

- (1) Is the information solely within the possession of the other party;
- (2) Has the information already been produced in a related matter;
- (3) Does the discovery relate to 35 U.S.C. §§315/325 jurisdiction issues?

While these additional factors are arguably subsumed by the *Garmin* factors, explicitly enumerating these factors in the Guidelines would make it more likely that the *Garmin* factors will be applied correctly and will permit additional discovery when it is actually warranted.

*Response to 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.*

**The Board should work to coordinate multiple co-pending review proceedings on the same patent, but should generally stay reissue and reexaminations on the same patent if an AIA trial is instituted.**

AIPLA urges the Office to coordinate separate AIA trials on the same patent by consolidating AIA trials instituted for those proceedings before the same panel. Other *ex parte* proceedings on the same patent should be stayed only if an AIA trial is instituted, but only until the Final Written Decision is issued. There is not enough time in the statutory timeframe to conduct a consolidated AIA trial and an *ex parte* proceeding together; and, unlike *ex parte* proceedings, AIA trials are not meant to be examination proceedings.

AIPLA urges the Office to specifically consider rules and guidance for handling co-pending AIA trials and *ex parte* proceedings that do not adopt the rules and procedures for handling merged

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<sup>19</sup> See *Garmin International, Inc. v. Cuozzo Speed Technologies LLC*, IPR2012-00001, Paper No. 20, February 14, 2013; see also *Garmin International, Inc. v. Cuozzo Speed Technologies LLC*, IPR2012-00001, Paper 26, March 5, 2013.

and/or co-pending reexaminations and reissues as set forth in 37 C.F.R. §§1.570, 1.991 and 1.997 and MPEP 1449.<sup>20</sup>

*Response to 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?*

**The Rules should be amended to allow the Director to order a stay of subsequent review petitions involving the same patent for which an AIA trial has been instituted, provided that the stay is ordered before a Preliminary Patent Owner Response is filed.**

In a review proceeding involving a patent that is already the subject of an AIA trial, AIPLA urges the Office to establish a time period for filing a Preliminary Patent Owner Response that effectively stays the filing of that document until the Termination or Final Written Decision of the prior review proceeding.

The Office is under strict statutory timelines for completing the evaluation of a decision to institute a review proceeding once a Patent Owner Preliminary Response is filed. However, the statutory scheme is flexible enough to allow the Director under certain circumstances to establish a stayed or deferred time period for filing a Patent Owner Preliminary Response.<sup>21</sup> This could occur where a second petition for a review proceeding is filed for the same patent for which an earlier petition was filed and an AIA trial was instituted and the time for joinder with that earlier AIA trial has been exceeded.

Typically, this would mean that the first and second petition would be filed more than nine months apart. Under those circumstances, delaying the time for filing the Patent Owner Preliminary Response in the second petition until such time as the AIA trial for the first petition has concluded conserves judicial resources and does not prejudice the second petitioner from having an opportunity to have their petition considered.

*Response to 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?*

**The Board should stay co-pending reexaminations or reissues on the same claim only once a trial has been instituted, but only until a Final Written Decision has been rendered.**

AIPLA urges the Office to use the statutory authority under Sections 315(d)/325(d) and 316(a)(4)/326(a)(4) to stay co-pending reexaminations or reissues on the same claim only after a

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<sup>20</sup> See Responses to Question 9 and 11.

<sup>21</sup> 35 U.S.C. §§ 313 and 323, and 35 U.S.C. §§ 315(d) and 325(d).

trial has been instituted, and then only until a Final Written Decision has been issued. If a Final Written Decision is rendered for given patent claim, that decision should be a deciding factor in any later determination concerning that claim or patentably-indistinct versions of that claim. In addition, a patentee should be able to request that a stay be maintained until the final resolution of any appeals of the Final Written Decision to the Federal Circuit.

There is a potential for parallel proceedings to occur if an AIA trial is instituted on less than all the claims of a patent and there is no overlap of claims in the AIA trial with claims in a reexamination proceeding. For this reason, the Office during the pendency of an AIA trial should provide the option to preclude the presentation of any new amended claim(s) for any other reissue or reexamination Office proceeding involving the same patent where such newly presented claims are patentably indistinct from the claim(s) on which an AIA trial was instituted. This preference for sequential, rather than simultaneous, evaluation of challenges to patentability is consistent with the legislative history of the AIA.<sup>22</sup>

If a stay of a co-pending reexamination or reissue proceeding is lifted when a Final Written Decision is rendered, that would allow a patentee to pursue in reissue proceedings any amended or substitute claims that are patentably distinct from those claims found unpatentable in the Final Written Decision. Under current practice, any reissue application is stayed until the issuance of a reexamination certificate.<sup>23</sup> However, 37 C.F.R. §1.997(d) currently operates to terminate any stayed reissue applications if all claims are cancelled, which would effectively close out any opportunity to present amended and patentably distinct claims in a reissue proceeding if this approach were to be followed in the AIA trials.<sup>24</sup>

It should be noted that if, on appeal, a finding in the Final Written Decision is reversed, then the Office would need to take that into consideration in deciding how to handle the co-pending proceedings after the appeal. However, any decision on appeal in general should not affect a patent owner's ability to present patentably distinct claims in a reissue application.

***Response to Question 10:*** *Under what circumstances, if any, should an AIA trial be stayed in favor of a co-pending reexamination proceeding or reissue proceeding? If a stay is entered, under what circumstances should the stay be lifted?*

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<sup>22</sup> See floor remarks of Senator Orrin Hatch, Cong. Rec. p. S952, 2/28/2011. (“[T]he bill would improve the current *inter partes* administrative process for challenging the validity of a patent. It would establish an adversarial *inter partes* review, with a higher threshold for initiating a proceeding and procedural safeguards to prevent a challenger from using the process to harass patent owners. It also would include a strengthened estoppel standard to prevent petitioners from raising in a subsequent challenge the same patent issues that were raised or reasonably could have been raised in a prior challenge. The bill would significantly reduce the ability to use post-grant procedures for abusive serial challenges to patents.”)

<sup>23</sup> See 37 C.F.R. §§1.991 and 1.997 and MPEP 1449.

<sup>24</sup> 37 CFR §1.997(d) provides that “if a certificate has been issued and published which cancels all of the claims of the patent, no further Office proceedings will be conducted with that patent or any reissue applications or any reexamination requests relating thereto.” See Response to Question 11.

**The Board should not stay an AIA trial in favor of a co-pending reexamination or reissue on the same patent, but also should not institute an AIA trial on any patent for which claims have been successfully amended in a co-pending reexamination or reissue.**

Generally, under most circumstances, an AIA trial should not be stayed in favor of a reexamination or reissue. Instead, the *ex parte* reexamination and reissue proceedings should be stayed pending the outcome of the AIA trial in the manner suggested above since those proceedings do not have the statutorily mandated timeframes applied to AIA trials.<sup>25</sup>

If, upon termination of the proceeding, the AIA trial addresses the issues raised in the reexamination proceeding or reissue proceeding, and if the parties to the proceedings are the same, then the doctrine of issue preclusion should apply once the stay is lifted for the *ex parte* reexamination and reissue proceedings.<sup>26</sup>

The Board should also decline to institute a trial on any claims that were co-pending in a reexamination or reissue proceeding when a review petition was filed and that were amended there before the deadline for instituting the review proceeding. The statutory authority to institute a review proceeding in 35 U.S.C. §§314/324 is limited to the “claims challenged in the petition.” If the claim has been amended in reissue or reexamination, the unamended claim recited in the review petition no longer provides the necessary authority for the Board to institute an AIA trial on that petition.

The trial practice guidelines should clarify the timing on when a notice of intent to issue a reexamination certificate or notice of allowance for a reissue would be effective so as to preclude institution of an AIA trial for claims that were amended.

*Response to Question 11: Under what circumstances, if any, should a co-pending reexamination proceeding or reissue proceeding be consolidated with an AIA trial?*

**The Board should not consolidate an AIA trial with a co-pending reexamination or reissue on the same patent.**

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<sup>25</sup> See Response to Question 9.

<sup>26</sup> Principles of fairness dictate that issue preclusion apply equally to agency decision-making as to court determinations. See *University of Tennessee v. Elliott*, 478 U.S. 788, 797 (1986) (“it is sound policy to apply principles of issue preclusion to the factfinding of administrative bodies acting in a judicial capacity”); *Graybill v. U.S. Postal Service*, 782 F.2d 1567, 1571 (Fed. Cir. 1986). If a case involves the same fact issues that were actually argued and necessary to the first decision, and reached after a fair opportunity to address them, then the Office should not have to reconsider those issues. See *In re Freeman*, 30 F.3d 1459, 1465 (Fed. Cir. 1994); *Ohio Willow Wood v. Alps South*, 735 F.3d 1333, 1342 (Fed. Cir. 2013). Issuance of multiple, inconsistent agency decisions on the same facts can constitute a denial of due process. See *Babcock & Wilcox Co. v. Marshall*, 610 F.2d 1128, 1138 (3d Cir. 1979); *Continental Can Co. v. Marshall*, 603 F.2d 590, 597 (7th Cir. 1979).

Proceedings before the Board and the Central Reexamination Unit (CRU) should remain separate and should not be consolidated. Rather than being consolidated, the *ex parte* reexamination or reissue proceedings should be stayed if an AIA trial is instituted in a review proceeding.<sup>27</sup>

**The Office should clarify that a co-pending reexamination or reissue on the same patent will not automatically be terminated upon final cancellation of claims in an AIA trial.**

Under 37 C.F.R. §1.570(d), when an *ex parte* reexamination certificate has been issued and published to cancel all of the claims of the patent, no further Office proceedings will be conducted on that patent or any related reissue applications or any reexamination requests. The corresponding rule for *inter partes* reexaminations is found at 37 C.F.R. §1.997(d).

AIPLA believes that the USPTO should reconsider these rules to clarify, modify, or withdraw them. AIPLA is concerned that if all of the claims in an issued patent are cancelled as a result of a Final Written Decision in an AIA trial, these rules may be construed to require the termination of any pending reissue application or *ex parte* reexamination proceeding which the Patent Owner has filed in order to pursue appropriate patentably distinct claims not originally in the issued patent. The provisions of 37 C.F.R. §§1.570(d) and 1.997(d) are more onerous than the AIA post-grant trial estoppel provisions of 37 C.F.R. §42.73(d)(3). If they are construed to apply to a reissue application or *ex parte* reexamination proceeding involving claims cancelled in a review proceeding, they could deprive the patent owner of any opportunity to obtain patentable claims.

The commentary that accompanied the promulgation of these rules indicated that the rule “provides a degree of assurance to the public that patents with all the claims canceled via *inter partes* reexamination proceedings will not again be asserted.”<sup>28</sup> However, the rules are unnecessary since, by operation of their cancellation in an AIA trial, those claims will never be again asserted. The concern recited in the commentary to the rules is not applicable where a patent owner pursues claims that are patentably distinct from the prior art cited in an AIA trial or reexamination proceeding.

AIPLA urges the Office to provide patent owners with a reasonable opportunity to continue any already-pending reissue or reexamination proceedings to present and prosecute any new, amended or unchallenged claims that are patentable over the cited art in an AIA trial. AIPLA

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<sup>27</sup> See Responses to Questions 8-10.

<sup>28</sup> See 65 Fed. Reg. 76756, 76771 (December 7, 2000) (“New § 1.997 provides for the issuance of the reexamination certificate under 35 U.S.C. 316 after conclusion of an *inter partes* reexamination proceeding. The certificate will cancel any patent claims determined to be unpatentable, confirm any patent claims determined to be patentable, and incorporate into the patent any amended or new claims determined to be patentable. Once all of the claims have been canceled from the patent, the patent ceases to be enforceable for any purpose. Accordingly, any pending reissue proceeding or other Office proceeding relating to a patent for which a certificate that canceled all of the patent claims has been issued will be terminated. This provides a degree of assurance to the public that patents with all the claims canceled via *inter partes* reexamination proceedings will not again be asserted. No comment was received on this section. It is adopted as proposed.”).

believes that the USPTO should, at a minimum, confirm that a pending reissue application or *ex parte* reexamination proceeding, where the patent owner is pursuing new/amended claims, will not be automatically terminated if all of the patent claims are cancelled in a Final Written Decision in an AIA trial.

As discussed in the Response to Question 2, a Patent Owner's opportunity to amend claims in an AIA trial is more illusory than real. As a consequence, the Board has encouraged patent owners to pursue new/amended claims in a reissue or an *ex parte* reexamination proceeding that many patent owners have done. A patent owner should be permitted to continue pursue such claims regardless of the outcome of a review or reexamination proceeding.

*Response to 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.*

**The Board should not consolidate an AIA trial with a co-pending reexamination or reissue on the same claim, and consolidated AIA trials should utilize the current Rules for joinder.**

Proceedings in front of the Board (AIA trials) and the CRU (*ex parte* reexamination and reissues) should remain separate and should 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 8-11).*

For consolidated AIA trials involving the same patent with at least one challenged claim in common, the current rules that the Board uses for joinder seem to be working well. As discussed in the response to Question 8, AIPLA urges the Office to consider the option of staying any subsequent co-pending review petitions on the same patent where an AIA trial has been instituted and the Preliminary Patent Owner Response has not yet been filed in the subsequent review proceeding.

*Response to 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?*

**The Board should adopt a general policy of “one and done” with respect to review petitions that raise the same or substantially the same prior art and/or arguments as prior AIA trials resulting in a final written decision, but the same general policy should not be applied to reexamination or reissue proceedings.**

AIPLA believes that, as a general tenet, there should be only one review proceeding instituted against a given claim in a given patent based on the same or substantially same prior art or arguments.

In light of the current statistics for both the number of proceedings and their outcomes, the Board should adopt a general policy to limit review proceedings to “one and done” where there is an AIA trial that has resulted in a final written decision. The legislative history supports this position in the expression of concerns about the harassment, expense and lack of quiet title resulting in an open-ended ability to continually mount challenges using the new review proceedings.<sup>29</sup>

A similar standard has been in general practice in the CRU with respect to *ex parte* reexaminations even though an *ex parte* reexamination provides a patent owner with more opportunities to limit the costs of the proceeding and to freely amend claims. The concern of overwhelming a patent owner with multiple sequential proceedings, therefore, is not as significant in the context of an *ex parte* reexamination. Moreover, there is no concern about harassment, expense and lack of quiet title for reissue proceeding since there is no ability for a third party to cause a reissue proceeding to be instituted.

AIPLA suggests that a citation to new art (as either primary reference or secondary reference combined with previously cited art in a review petition) should create a presumption (rebuttable by the patent owner in the Preliminary Patent Owner Response) that the same or substantially the same prior art or arguments as a previous petition is not being advanced.<sup>30</sup>

*Response to 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?*

**The Board should consider extending on a case-by-case basis the 1-year period to issue a final written decision for more complex AIA trials.**

AIPLA urges the Board to make more use of the statutory option to extend the 1-year statutory period for issuing a final written decision by up to six months. In the interest of fairness to both parties, use of this extended 6-month period should be on a case-by-case basis, and should be more generously utilized in more complex AIA trials. Examples of more complex AIA trials include those that involve extra effort in terms of the number of co-pending proceedings, joinder, the number of grounds for which trial was instituted, granting of significant additional discovery,

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<sup>29</sup> See footnote 26.

<sup>30</sup> Unlike reexaminations that have a statutory basis for why originally considered prior art must be considered, the AIA trial proceedings do not have such a statutory prescription. See *In re NTP*, 654 F.3d 1268, 1277 (Fed. Cir. 2003) (“Prior to 2002, this court interpreted § 303(a) to permit reexamination ‘only ... for those instances in which the examiner did not have all of the relevant prior art at his disposal when he originally considered the patentability of an invention.’ *In re Portola Packaging, Inc.*, 110 F.3d 786, 790 (Fed. Cir. 1997), *superseded by statute* Pub. L. 107-273, § 13105, 116 Stat. 1758, 1905-06 (Nov. 2, 2002) (‘2002 Amendment’).”)

successful motions to amend, live testimony at oral argument, and/or a party improperly withholding mandatory discovery.

To date the Board has operated as if the one-year time period for concluding AIA trials is sacrosanct, apparently because the Office perceives that district court judges rely upon the definitiveness of this one-year time period when granting stays. While that is a valid point, it unfairly favors petitioners over patent owners. AIPLA urges the Board to manage each AIA trial to allow the patent owner a full and fair opportunity to defend its patent rights.

This issue is particularly important in proceedings where additional discovery is sought. Most, if not all, denials of additional discovery on secondary considerations or a real party in interest inevitably are putatively justified by the demands of the one-year time period. But additional discovery burdens the parties, not the Board. Furthermore, if the request for additional discovery were granted, it could be that new evidence might shorten the case one way or the other. Strict adherence to the one-year time limit when Congress provided a six-month escape valve undermines the quality of the AIA proceeding and contravenes the spirit of the AIA.

*Response to Question 15: Under what circumstances, if any, should live testimony be permitted at the oral hearing?*

**The Board should be more willing to permit live questioning of declarants by the Board at the Oral Argument in AIA trials where the issues turn on the credibility of declarant testimony.**

AIPLA urges the Board to adopt a more lenient standard for permitting live testimony at the Oral Argument. Decisions in a good number of AIA trials turn on which expert is found by the Board to be more credible, has the more relevant expertise, has contradicted him/herself, or has made a patently non-credible statement. Given the significance of such credibility determinations, the Board should hear live testimony when an issue critical to resolving the AIA trial turns on the credibility of declarant testimony.

AIPLA believes that a good example of how live testimony can be incorporated into the review proceeding was provided in the Final Written Decision in *K-40 Electronics v. Escort*.<sup>31</sup> As in that case, a successful motion to present live testimony must demonstrate that witness credibility is a critical issue to resolving the AIA trial. While accommodating live testimony in the Oral Arguments may present logistical challenges for the Board, AIPLA believes that making this option a meaningful part of the AIA trials will improve the perception of the process, as well as enhance the likelihood that Board findings on issues that turn on the credibility of declarant testimony will be upheld on appeal.

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<sup>31</sup> *K-40 Electronics v. Escort*, IPR2013-00203, Paper No. 34 (May 21, 2014) and Paper No. 45 (August 27, 2014).

**The Office should revise the definitions of “hearing” and “trial” to clarify that live testimony at the Oral Argument is part of an AIA Trial.**

AIPLA also encourages the Office to revise both 37 C.F.R. §42.62(c), which redefines the terms “hearing” and “trial” as used in the Federal Rules of Evidence, and 37 C.F.R. §42.70 which sets forth the requirements for Oral Argument.

As a result of the interaction of these two rules as currently written, the trial phase of an AIA proceeding where testimony can be introduced technically ends prior to the Oral Argument. AIPLA believes that the interaction of these two rules may preclude the Board from considering additional evidence at an Oral Argument unless a request was made under 37 C.F.R. §42.5(b) to waive the rules.

*Response to Question 16: What changes, if any, should be made to the format of the oral hearing?*

**The Board should alter the format to allow each party to reserve time for a main and rebuttal argument.**

AIPLA suggests that the current argument format which permits a main and rebuttal argument for the petitioner but only a main argument for the patent owner be changed to provide both a main and rebuttal argument for each party. This change would, like other changes suggested herein, reduce the perception that the AIA trials are “stacked” against the Patent Owner.

**The Board should relax its guidelines for the nature of demonstrative exhibits at the Oral Argument.**

The Board should consider providing a few 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 Board (2 days before Oral Argument). AIPLA respectfully suggests that, for example, allowing an exchange 7 days in advance with service on the Board 4 days in advance, would give the Board 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 Board.

AIPLA further suggests that the Board consider loosening its guidance on demonstrative exhibits to allow for citation of new case law or new evidence already of record if good cause is shown. For example, a party should be able to cite new case law or such new evidence to counter arguments, for example, raised for the first time in a reply for which there was no further opportunity to respond, even if that case law or evidence already of record was not raised in its responses.

*Response to 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?*

**A. The Board should not institute trial for a review proceeding and then discard submitted prior art and submitted rejections as “redundant” without providing petitioner an opportunity to have such rejection reconsidered.**

Since petitioner has no way to respond to a holding of redundant art, the Petitioner is not getting a full and fair hearing before the Board. There also seems to be no way to properly appeal this to the Federal Circuit. While AIPLA appreciates that the ability to limit the number of grounds initiated as part of any given AIA trial is important to the ability of the Office to conclude the AIA trial within the statutory deadlines, there should be an appropriate balance that allows petitioner to challenge a decision of “redundancy.”

AIPLA suggests that the Office consider adopting rules to provide the opportunity to request reconsideration of that portion of any Decision to Institute that denies grounds on the basis of redundancy, and that such request for rehearing would be considered and ruled upon by a panel of three APJs.

**B. The Board should discard the “page count” approach and should follow a “word count” approach used by the Federal Circuit and in *Ex Parte* appeals.**

AIPLA urges the Board to change the page-count limit to a word-count limit for filings made to the Board. The reasons set forth by the Office in the initial rules for adopting a page limit have resulted in too much confusion and work by the Board to enforce this limit. A certification of the word count is successfully used by the Federal Circuit, other regional circuits, district courts, and the Board in the context of *ex parte* appeals. This approach will save time and effort for both the Board and the parties in complying with these limits.

In addition, AIPLA suggests that the Board carefully review what parts of any given submission should be considered subject to these limits. For example, the mandatory notice sections of the petition can vary greatly in length, depending upon the number of parties and related proceedings that need to be identified. Counting this section toward the overall limit does not seem fair given the variability in the amount of required information that must be presented, especially since it has nothing to do with the substance of the arguments being made.

**C. The Proposed Statement of Material Facts portions of Rules 42.22 and 42.23 should be eliminated.**

There has been relatively little use of the proposed statement of material facts option under 37 C.F.R. §42.22(c). There has also been confusion among different Board panels about whether or not the required responses under 37 C.F.R. §42.23(a) to such proposed statements of material fact count or do not count toward the page limit, and if so, how.

AIPLA recommends that the Office revise the trial proceeding rules to eliminate the option for including proposed statements of material fact as a way to streamline the AIA trials.

**D. Patentee estoppel under 37 CFR § 42.73(d)(3) needs to be revised.**

The patentee estoppel rule should be amended to make clear that an estoppel does not arise where an amendment is proposed but not entered. Changing the estoppel provision at 37 C.F.R. §42.73(d)(3)(i), which now refers to “a finally cancelled or refused claim,” to refer only to “a finally cancelled claim” would accomplish that goal.

**E. The Office should consider designating one APJ for the Decision to Institute and a panel of 3 APJs for the corresponding AIA Trial.**

AIPLA is concerned that there is a real or perceived challenge for panels of APJs to remain impartial in conducting an AIA trial in view of the natural tendency to defend decisions that were made in rendering a Decision to Institute that very AIA trial. Currently the same APJs consider an incomplete and preliminary record to decide that the claims being challenged in a petition are likely unpatentable. Those same APJs are then required to make the Final Written Decision—in essence, they are put in the position of defending their prior decision to institute the trial. This creates an actual or perceived bias against the patent owner.

There is ample statutory authority for dividing such responsibilities to eliminate the potential for this type of actual or perceived bias. Under the statute, it is the Director who decides whether to institute the review, and the Board then conducts the trial and issues the Final Written Decision as to patentability.<sup>32</sup> Dividing up responsibility between a grand jury-like function (a single APJ deciding whether to Institute a trial) and a trial jury-like function (a panel of three APS actually conducting the trial and making a final determination) makes sense and would improve both the efficiency of the Board and the perception of the fairness of these proceedings.

**F. The Office should replace the observations on cross-examination with a Patent Owner Surreply.**

The Office should consider adding the opportunity for the patent owner to file a surreply after the petitioner’s reply. Currently, patent owners have little or no opportunity to address new issues that commonly arise only in replies by petitioners.

The opportunity to file observations on cross-examination is currently not to be used as a surreply for argumentative briefing, and consequently has little actual benefit to address arguments made in a petitioner’s reply and thereby focus the issues for the Board. To the extent additional time is needed to make room for a surreply, it is suggested that shortening either the time period prior to the patent owner response or shortening the time period after the oral argument until the Board renders a Final Written Decision.

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<sup>32</sup> 35 U.S.C. §314(a) and 35 U.S.C. §316(c).

**G. The Office should change the Default Protective Order in the Trial Practice Guide.**

Section 4(A)(i) and (ii) of the Default Protective Order should be modified to account for circumstances where the party seeks to file a paper or exhibit that includes information designated as confidential by another party to the proceeding. Currently, the burden is on the party filing a paper or exhibit to set forth reasons why the material is confidential and good cause exists to have the information sealed. Ideally, the burden should be on the party that designated the material, which is not necessarily the party filing the material with the Board.

An amendment to Section 4 of the Default Protective Order, along the lines of the following changes shown as underlined, would place the burden of showing the need for confidentiality on the designating party:

4. Persons receiving confidential information shall use the following procedures to maintain the confidentiality of the information:

(A) *Documents and Information Filed With the Board.*

(i) A party may file documents or information with the Board under seal, together with a non-confidential description of the nature of the confidential information that is under seal and the reasons why the information is confidential, or if the information has been designated as confidential by the opposing party that party shall set forth the reasons why the information redacted is confidential, and should not be made available to the public. The submission shall be treated as confidential and remain under seal, unless, upon motion of a party or response of the designating party and after a hearing on the issue, or *sua sponte*, the Board determines that the documents or information do not to qualify for confidential treatment.

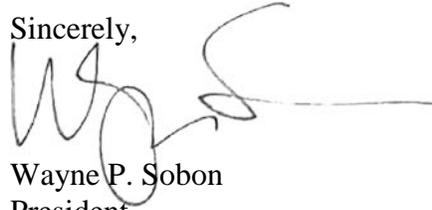
(ii) Where confidentiality is alleged as to some but not all of the information submitted to the Board, the submitting party shall file confidential and nonconfidential versions of its submission, together with a Motion to Seal the confidential version setting forth the reasons why the information redacted from the non-confidential version is confidential, or if the information has been designated as confidential by the opposing party that party shall set forth the reasons why the information redacted is confidential, and should not be made available to the public. The nonconfidential version of the submission shall clearly indicate the locations of information that has been redacted. The confidential version of the submission shall be filed under seal. The redacted information shall remain under seal unless, upon motion of a party or response of the designating party and after a hearing on the issue, or *sua sponte*, the Board

determines that some or all of the redacted information does not qualify  
for confidential treatment.

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AIPLA appreciates the opportunity to provide feedback to the Office on the Request. AIPLA  
looks forward to further dialog with the Office with regard to the issues raised above.

Sincerely,

A handwritten signature in black ink, appearing to read 'Wayne P. Sobon', with a long horizontal flourish extending to the right.

Wayne P. Sobon  
President

American Intellectual Property Law Association