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To: The Honorable Andrei Iancu,  
Under Secretary for Commerce for Intellectual Property  
Director of the United States Patent and Trademark Office  
Email: [TrialRFC2018Amendments@uspto.gov](mailto:TrialRFC2018Amendments@uspto.gov)

November 26, 2018

RE: PTO Docket No. PTO-P-2018-0062, "Request for Comments on Motion to Amend Practice and Procedures in Trial Proceedings under the America Invents Act before the Patent Trial and Appeal Board," 83 FR 54319 (10/29/2018).

Dear Director Iancu:

I am a patent attorney. I have been practicing before the Patent Board (then the BPAI, now the PTAB) since the mid 1990's. I represent both Patent Owners and Petitioners. I participate actively in major IP organizations on the committees that consider PTO and specifically PTAB practice and procedure.

I write to commend you on your "Request for Comments on Motion to Amend Practice and Procedures in Trial Proceedings under the America Invents Act before the Patent Trial and Appeal Board."

My comments in response to your questions 1-17 follows.

1. Yes.

But as modified by my suggestions noted for questions 2 and 3.

2 and 3. See my comments.

Advisory opinion issue

One concern that arose during discussions of your proposal was the possibility of the PTAB "playing favorites" by suggesting specifically why an initial motion to amend was likely not to be granted, or explaining why the motion to amend was likely to be granted, without actually granting or denying the motion. Accordingly, there is some risk in terms of the appearance of fairness, when put in practice in individual cases, in your proposal.

Concurrent alternative claim sets in one motion to amend

Your proposal gives the patent owner a second bite at the apple, so that the patent owner can retain rights to an otherwise patentable invention, in view of challenge. I believe your goal is

warranted. However, the sequential procedure you envision comes at certain costs. There are additional costs associated with an additional round of analysis, discovery, briefing, and decision. At least the discovery costs are magnified due to the compressed time, particularly for transcripts of depositions. Rush delivery of transcripts would be required under your proposal. Rush delivery can triple the cost for transcripts. And your compressed time for each round of pleadings will place additional stress on the parties and witnesses, due to the short time frames available to confer, analyze, and schedule for and take depositions.

Other jurisdictions, such as the EPO, have faced a similar issues. The EPO's solution in oppositions, was to provide for concurrent submission of alternative claim sets. Allowing for submission of alternative claims sets at one time, instead of one claim set, and then at a later time another claim set, would avoid the time compression issues associated with your current proposal. I point out specifically that allowing alternative claim sets in one motion to amend is not incompatible with your proposal. Specifically, even if the Board issued an advisory opinion on a first motion to amend containing multiple alternative claim sets, indicating that none of those claim sets was likely to meet the requirements for grant of that motion, or even if the Board denied that motion under your current proposal for a compressed schedule, the patent owner could still request authorization to file another motion to amend.

I suggest that the alternative claims sets concept is more in line with the statutory time limits in PTAB AIA proceedings, and will avoid undue costs and stress on the parties. Nevertheless, I generally support your current proposal versus the status quo.

4. Yes

If you provide for alternative claim sets as I suggested above, the Board should provide such a decision on the multiple claim sets.

5. Factual findings, legal conclusions, and clear reasoning underlying why the factual findings result in specified legal conclusions.

6. No.

7. Based upon long experience, declaration testimony in these proceedings is of very little probative value, absent testing via cross-examination. The parties should be entitled to cross-examination and an opportunity to be heard before any preliminary decision regarding any motion to amend.

8. "If a petitioner ceases to participate in an AIA trial," then the dispute is moot, and the Board should terminate the trial instead of trying to decide moot issues. So the examiner should do nothing because the examiner should not be wasting their time on moot issues. Consider instead offering the patent owner an election to have amended claims substituted into the patent for the patented claims. Elections (on priority) were long the norm in settling interferences in which the dispute became moot, and there is every reason to implement a similar economically efficient mechanism in PTAB AIA proceedings.

9. No, and no.

10. This question is improper. Your question assumes that all such motions must be either contingent or non-contingent, and that the movant has no say in the matter. That is incorrect. A motion requesting relieve may be either contingent or non-contingent at the pleasure of the movant, not the Board.

11. As noted above, your proposal compresses times for action. Consider expanding the times.

12. Your proposals would increase costs, even if no second motion to amend was filed. This is because your proposal would compress the time frame for the first motion to amend, which increases costs for the reasons noted in my response for questions 2 and 3.

13. See my suggestions for alternative claims sets, in my response to questions 2 and 3.

14. The PTAB should give the patent owner the right to opt-in or opt-out, and give no such right to the petitioner. The patent owner's wishes should govern.

Patent owner should have the right to determine participation in any pilot program

Since it is if the patent owner's rights that are being challenged, and your proposal envisions providing the patent owner some advantage to avoid inequity, I suggest you should provide the exclusive right to decide whether to participate in any such pilot program to the patent owner.

15. The Office should engage in rulemaking to promulgate a rule placing the burden of persuasion regarding the patentability of proposed substitute claims on the petitioner.

16. You ask "under what circumstances should the Board itself be able to justify findings of unpatentability?" Unpatentability is a legal conclusion, not a finding.

There are no circumstances in which the Board itself should be able to justify a legal conclusion of unpatentability if the petitioner drops out. If the petitioner drops out, there is no policy reason to continue the proceeding because the dispute is moot. Why waste taxpayer dollars on a moot issue? These are adversarial proceedings, not examinations. That examination process, and issuance of the patent are over and done with. There is no place in adversarial proceedings for finding against the defendant after the plaintiff drops out.

There are no circumstances in which the Board itself should be able to justify a legal conclusion of unpatentability (what your question refers to as "findings of unpatentability") if the petitioner remains in the proceeding. The *petition* controls the proceeding. It is "the petitioner's petition, not the Director's discretion, [that is] is supposed to guide the life of the litigation." *SAS Institute Inc. v. Iancu*, 16–969 (4/24/2018)(interpolation supplied). "It would thus not be proper for the Board to deviate from the grounds in the petition and raise its own obviousness theory, as Sirona contends." *Sirona Dental Systems GMBH v. Institut Straumann AG*, 2017-1341, 2017-1403 (Fed. Cir. 6/19/2018). There is no place in adversarial proceedings for finding against the defendant on grounds the plaintiff failed to plead.

17. No.

Truly,  
/Richard Neifeld/  
Neifeld IP Law, PC

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