

July 3, 2018

**By Mail & Email (PTABNPR2018@uspto.gov)**

The Honorable Andrew Iancu  
Under Secretary of Commerce for Intellectual Property  
Director of the United States Patent and Trademark Office  
United States Patent & Trademark Office  
Mail Stop Patent Board  
P.O. Box 1450  
Alexandria, VA 22313-1450

Attention Vice Chief Administrative Patent Judges Michael Tierney or Jacqueline Wright Bonilla, PTAB  
Notice of Proposed Rulemaking 2018.

Dear Under Secretary Iancu:

Intellectual Ventures Management LLC (“Intellectual Ventures”) thanks the Director for the opportunity to present its views on the United States Patent & Trademark Office (“Office”) Notice of Proposed Rulemaking entitled “Changes to the Claim Construction Standard for Interpreting Claims in Trial Proceedings Before the Patent Trial and Appeal Board” as published in the May 9, 2018 issue of the Federal Register, 83 Fed. Reg. 21,221 (“Notice”).

Intellectual Ventures urges the Office to adopt the rules proposed in the Notice.

### **About Intellectual Ventures**

Intellectual Ventures fosters conception, development, and investment in inventions. It was co-founded by Dr. Nathan Myhrvold, who is also its Chief Executive Officer. Dr. Myhrvold was previously the Chief Technology Officer of Microsoft, and he holds a doctorate in theoretical and mathematical physics and a master’s degree in mathematical economics from Princeton University, as well as a master’s degree in geophysics and space physics and a bachelor’s degree in mathematics from the University of California at Los Angeles. He was a postdoctoral fellow in the quantum physics laboratory of Dr. Stephen Hawking at Cambridge University. And he is a named inventor on hundreds of issued patents.

Intellectual Ventures files for patents on its own inventions, purchases and licenses patents from other inventors, and partners with inventors to help them generate and patent new inventions. Scientists and engineers at Intellectual Ventures invent solutions to some of the world’s most pressing problems. In addition to its own inventors, Intellectual Ventures has active relationships with hundreds of universities and other institutions around the world, and thousands of active inventors in its international inventor network.

As a respondent in *Inter Partes* Review (“IPR”)<sup>1</sup> proceedings to defend its patent rights, and as a participant in litigation to enforce those rights, Intellectual Ventures has a vital interest in the fairness, accuracy, and integrity of the patent adjudication system, including the interaction between IPRs and cases at district

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<sup>1</sup> IPR is used here to include *Inter Partes* Reviews, Covered Business Method Reviews, and Post Grant Reviews.  
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courts and the International Trade Commission (“ITC”). Intellectual Ventures’ patents have been the subject of more than 160 IPR petitions.

### **Applying BRI in IPRs is Harmful and the Office Should Adopt the Proposed Rule**

The Office interprets unexpired patent claims according to the broadest reasonable interpretation (“BRI”) during IPRs. The other forums that hear patent cases (including all district courts and the ITC) apply a different claim construction standard. *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005) (*en banc*). Others have written about the problems with the Office’s practice of applying the BRI in IPRs. *E.g.*, Amici Curiae Brief of 3M Co. et al., *Cuozzo Speed Techs., LLC v. Lee*, No. 15-446 (filed Feb. 29, 2016), available at [http://www.scotusblog.com/wp-content/uploads/2016/03/15-446\\_amicus\\_pet\\_Company.authcheckdam.pdf](http://www.scotusblog.com/wp-content/uploads/2016/03/15-446_amicus_pet_Company.authcheckdam.pdf) (last accessed June 29, 2018); Brief of the Fed. Cir. Bar Ass’n as Amicus Curiae in Supp. Of Pet., *Cuozzo Speed Techs., LLC v. Lee*, No. 15-446 (filed Feb. 29, 2016), available at <http://www.scotusblog.com/wp-content/uploads/2016/03/15-446-tsac-The-Federal-Circuit-Bar-Association.pdf> (last accessed June 29, 2018). Intellectual Ventures wishes to point out at least three problems that the Office’s use of the unique BRI standard in IPRs has caused.

First, the unique BRI standard has encouraged parties to make contradictory arguments in front of different tribunals. This is not a theoretical problem as Intellectual Ventures has experienced it directly. In one instance, a defendant told a district judge that a certain patent’s claims were indefinite and could not be construed. Defendants Answering Claim Construction Brief, *Intellectual Ventures I LLC v. Canon Inc.*, No. 1:13-cv-00473-SLR, ECF No. 231 at 3–11 (D. Del. filed Nov. 14, 2014). The defendant simultaneously told the Office that the Office could—and should—construe the claims. Petition, *Canon Inc. v. Intellectual Ventures I LLC*, IPR2014-00757, Paper No. 1 at 6–8 (PTAB filed May 15, 2014); *cf.* Institution Decision, *Facebook, Inc. v. TLI Commc’ns LLC*, IPR2014-00566, Paper 14 at 13 (PTAB Sept. 15, 2014) (declining to institute IPR because of indefiniteness). The defendant-petitioner expressly defended its inconsistent positions based on the difference in claim construction standards between the forums. Hearing Tr., *Intellectual Ventures I LLC v. Canon Inc.*, No. 1:13-cv-00473-SLR, ECF No. 258 at 85 (D. Del. Dec. 22, 2014).

Second, the unique BRI standard has prevented the Board from appropriately limiting such contradictory arguments. *E.g.*, *Research in Motion Corp. v. Wi-LAN USA Inc.*, IPR2013-00126, Paper 10 at 13 (PTAB June 20, 2013) (rejecting the proposition that a party “should be estopped from arguing a claim interpretation that is different from what it has urged in a parallel civil litigation”).

Third, using a unique BRI standard means the Office must ignore otherwise persuasive claim analysis from other forums. *See, e.g.*, *FreightCar Am., Inc. v. Nat’l Steel Car, Ltd.*, IPR2016-00788, Paper No. 9 at 8–9 (PTAB Sept. 28, 2016) (declining to apply a stipulated district court claim construction “at least” due to “application of a different claim-construction standard than used in district court”).

These types of problems are inherent in a system where different forums apply different standards to perform the same analysis. Adopting the proposed rule of the Notice will substantially improve these issues. By adopting the proposed rule of the Notice, the Office will merely apply the same claim construction standard to issued patents as other forums do, harmonizing practice both with other executive branch agencies like the ITC and with the federal judicial branch. It will increase consistency and predictability and avoid duplication.

**Conclusion**

Intellectual Ventures reiterates that the Office should adopt the rules in the Notice.

Sincerely,

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

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