

JAPAN INTELLECTUAL PROPERTY ASSOCIATION

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November 17, 2020

Hon. Andrei Iancu

Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office
United States Patent and Trademark Office
600 Dulany Street
Alexandria, Virginia 22314

Re: JIPA Comments to Request for Comments on Discretion To Institute Trials Before
the Patent Trial and Appeal Board

Dear Under Secretary Iancu:

We, the Japan Intellectual Property Association (JIPA), are one of the world's largest organizations of IP users with a membership of 1,335 companies (as of November 17th, 2020), most of which are Japanese companies. In light of the fact that our member companies file numerous U.S. patent applications, JIPA has carefully considered "Request for Comments on Discretion To Institute Trials Before the Patent Trial and Appeal Board" published by the United States Patent and Trademark Office (USPTO) in the Federal Register of October 20, 2020.

We, JIPA, respectfully submit our comments on USPTO's proposed revisions to the rules, as below. USPTO is kindly requested to take our comments into consideration when deciding on the revisions to the rules.

(1) Serial Petitions

We agree to 2(a), which reads that an IPR is instituted regardless of whether the same claims have previously been challenged in another petition. This is because denial of institution of an IPR based on an element irrelevant to the validity of a patent allows continuous existence of the patent, which should have been primarily invalidated. The existence of a patent that should be invalidated would impede innovations in US. As a matter of course, if contents of a petition fail to allege the invalidity based on "reasonable likelihood" standard, an IPR should not be instituted as is conventionally

done.

If the Office will promulgate a rule in line with the current practices of USPTO, some of factors in *General Plastic* having an ambiguous judgement criterion should be excluded. This is because when the judgement criterion is ambiguous, both a patent owner and a petitioner are brought into uncertain predictability on the institution of an IPR. The factors that can be clearly judged based on objective facts are only factors 1 and 3. The rule should read that an IPR will not be instituted if both of the two factors are met.

Factor 1: Whether the same petitioner previously filed a petition directed to the same claims of the same patent

Factor 3: Whether, at the time of filing of the second petition, the petitioner had already received a patent owner's preliminary response to the first petition or received the Board's decision on whether to institute review in the first petition

(2) Parallel Petitions

We agree to 4(a), which reads that an IPR is instituted regardless of the number of petitions filed at or about the same time on the same patent. This is because, as same reason as in (1), the number of petitions is an element irrelevant to the validity of a patent in deciding whether to institute plural IPRs. At a stage where a district court has not finalized a construction of claims, there is a possibility that plural petitions of IPRs are filed in accordance with the number of types of claim constructions. For example, two petitions are exemplified: a petition based on the claim construction of a suspected infringer; and a petition based on the claim construction used by a patent owner for infringement allegation. If institution of an IPR is denied because plural petitions of IPRs have been filed, this significantly narrows down the extent of possible measures of a petitioner, and thus we cannot agree to such a situation.

(3) Proceedings in Other Tribunals

We agree to 6(a), which reads that an IPR is instituted regardless of proceedings in other tribunals. This is because, as same reason as in (1), factors listed in *Fintiv* factors such as the degree of progress in a parallel proceeding in a district court, the degree of investment, and the schedule of a trial are elements irrelevant to the validity of a patent. If denial of institution of an IPR depends on the degree of progress in a district court, then a petitioner who desires that the validity of a patent should be examined by USPTO, an organization specializing in patents more

than a district court, would lose one of measures of the petitioner. This significantly narrows down the extent of possible measures of a petitioner, and thus we cannot agree to such a situation.

Yours faithfully

A handwritten signature in blue ink that reads "Akitoshi".

Akitoshi YAMANAKA
Managing Director
Japan Intellectual Property Association