

Before the
United States Patent and Trademark Office
Alexandria, VA

In re

Docket No. PTO-P-2024-0014

Rules Governing Director Review of Patent
Trial and Appeal Board Decisions

**COMMENTS OF
COMPUTER & COMMUNICATIONS INDUSTRY ASSOCIATION**

The Computer & Communications Industry (CCIA)¹ submits the following comments in response to the U.S Patent and Trademark Office’s April 16, 2024, Request for Comments on the Rules Governing Director Review of Patent Trial and Appeal Board Decisions.²

CCIA is an international, not-for-profit trade association representing a broad cross section of communications and technology firms. For more than fifty years, CCIA has promoted open markets, open systems, and open networks. CCIA members employ more than 1.6 million workers, invest more than \$100 billion annually in research and development, and contribute trillions of dollars in productivity to the global economy.

CCIA members are at the forefront of research and development in technological fields such as artificial intelligence and machine learning, semiconductor manufacturing, and other computer-related inventions. CCIA members are also active participants in the patent system, holding approximately 5% of all active U.S. patents and significant patent holdings in other jurisdictions such as the EU and China.

I. Summary

CCIA suggests adjusting the proposed Rules Governing Director Review of Patent Trial and Appeal Board Decisions, as proposed in 89 Fed. Reg. 26807, in two ways.

First, CCIA recommends that Director review of institution decisions should be made available only for denials of institution of America Invents Act (AIA) trials and not for grants of institution. Second, we believe that the ban on third party communications with USPTO appears to exceed what is desirable. Third parties can serve a valuable role in identifying decisions where review may be of general interest to the wider patent community, even if the parties to the review itself may not be motivated to seek review. Accordingly, we propose allowing parties to communicate with the USPTO concerning potential reviews so long as it is copied to counsel for all parties involved in that review.

These minor changes to the proposed process will help to maximize the benefit and minimize the cost of Director review.

¹ A list of CCIA members is available online at <https://www.ccianet.org/about/members>.

² 89 Fed. Reg. 26807 (April 16, 2024).

II. Limiting Director Review to Denials of Institution:

CCIA suggests limiting new rule 42.75 so that it applies only to denials of institution, but not grants of institution. The Director's ability to review final written decisions and re-hearings decisions does not require similar changes.

By limiting the Director's review to denials of institution, rather than all institution decisions, the normal AIA trial process will not be disrupted by a parallel Director review of the institution decision. The same concern does not arise with denials of institution, as no AIA proceeding would be ongoing.

In addition, review of denials provides a critical avenue of review for decisions that are otherwise almost completely unreviewable; grants of institution do not face the same problem, as review of the final written decision is available. Retaining the Director's ability to review final written decisions and rehearings ensures that there is a mechanism to correct potential errors or oversight in PTAB decisions to institute. This targeted approach ensures that the Director's intervention is reserved for cases where it is most needed, thereby promoting efficiency and reducing the potential for unnecessary delays in the AIA review process.

Further, in light of the Supreme Court's decision in *Arthrex*, it is imperative to ensure that the Director has appropriate authority to review decisions.³ While the *Arthrex* decision clarified the role of Administrative Patent Judges (APJs) as principal officers, it did not specifically address the scope of the Director's review authority. Therefore, it is incumbent on the USPTO to establish clear guidelines for Director Review to maintain consistency and fairness in the patent review.

CCIA suggests the language of the proposed rule be modified as follows⁴:

§ 42.75 (a) Director Review Generally. In a proceeding under part 42, the Director may review any ~~decision on~~ denial of institution under 35 U.S.C. 314 or 324, any final written decision under 35 U.S.C. 318 or 328, or any decision granting rehearing of such a decision. In the course of reviewing an institution decision, a final written decision, or a rehearing decision, the Director may review any interlocutory decision rendered by the Board in reaching that decision.

III. Communication by Third Parties Regarding Potential Reviews

CCIA submits that third parties should be able to communicate with the Director concerning *potential* reviews. We are concerned that the proposed rule language might be interpreted to bar such communications. Third-party input of this type can provide valuable insights into concerns held by the wider community as well as ensuring that all relevant information is considered during the review process.⁵ However, we acknowledge concerns regarding the potential for non-transparent efforts to influence decisions behind the scenes, as

³ *United States v. Arthrex*, 141 S.Ct 1970 (2021).

⁴ Deletions are represented by strikethrough, additions by underlining.

⁵ CCIA notes that a ban on public communications to the Office potentially implicates the Petition Clause.

well as for third parties to attempt to use such communications in granted proceedings where amicus briefing has not been authorized.

We suggest modifying the text of the rule as follows:

(g) Ex parte communications. All communications from a party to the Office concerning a specific Director Review request or proceeding must copy counsel for all parties. ~~Communications from third parties regarding a specific Director Review request or proceeding, aside from authorized amicus briefing, are not permitted and will not be considered.~~ Any third-party communications to the Office concerning Director Review of a specific AIA trial must also copy counsel for all parties. No third-party communications will be accepted regarding a granted Director Review proceeding unless amicus briefing has been authorized.

This revised formulation of the rule permits third parties to communicate regarding reviews the Director might wish to raise *sua sponte*, so long as they also provide the same information to the parties to the proceeding, providing transparency to the parties. However, once a Director Review has been granted, third-parties would only be able to communicate with the Office if amicus briefing is authorized, ensuring that this will not be used to circumvent a decision not to permit amicus input.

As an alternative, the Office might consider the creation of a formal *ex parte* mechanism. Such a mechanism would permit third parties to submit their communications in a manner that ensures transparency and fairness, while also protecting the integrity of the decision-making process. In this alternative, the rule could be modified to read as follows:

(g) Ex parte communications. All communications from a party to the Office concerning a specific Director Review request or proceeding must copy counsel for all parties. ~~Communications from third parties regarding a specific Director Review request or proceeding, aside from authorized amicus briefing, are not permitted and will not be considered.~~ Any third-party communications concerning Director Review of a specific AIA trial will be made of public record by the Office. No third-party communications will be accepted regarding a granted Director Review proceeding unless amicus briefing has been authorized.

IV. Conclusion

As an advocate for open markets, innovation, and fair patent practices, CCIA supports the Office's efforts to create a balanced and efficient patent review process. To best achieve that goal, we believe that the Office should implement the changes proposed in this comment—streamlining Director Review of institution decisions to focus on otherwise unreviewable denials and permitting third-party communications regarding potential Director reviews.

CCIA appreciates the opportunity to provide comments on the U.S. Patent and Trademark Office's Rules Governing Director Review of Patent Trial and Appeal Board Decisions.

Respectfully submitted,

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