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The Honorable Thom Tillis, Chairman  
Subcommittee on Intellectual Property  
Committee on the Judiciary  
U.S. Senate  
224 Dirksen Senate Office Building  
Washington, D.C. 20515

The Honorable Chris Coons, Ranking Member  
Subcommittee on Intellectual Property  
Committee on the Judiciary  
U.S. Senate  
152 Dirksen Senate Office Building  
Washington, D.C. 20515

Dear Senator Tillis & Senator Coons,

I appreciate your efforts regarding the current state of our patent system, specifically the Patent Trial & Administrative Board, the “PTAB”.

Simply put, the PTAB, it's rules and administrative judges have destroyed our patent system.

Here is my story:

A small independent inventor such as myself must have a dream, a patentable idea, invest in research, development, patent applications, production, sales, marketing and much more in order to bring a new product to market. This process, is in fact the American dream and often times represents the commitment of a-life-time, agony, stress, risking everything, all of which may be lost simply because the invented product is rejected by consumers.

However, if the dreams of that inventor come true, if the invented product proves a success, just at the moment when the American dream may be in sight, you can fully expect that this success will be taken away by a fortune 100 company. That inventor may contact a law firm. That law firm may take the inventor's patent “infringement” case on a contingency-bases. That law suit may then be prosecuted within the U.S. Federal Court for nearly a year, at which time the defendant, that fortune 100 company files a petition within the PTAB. This is when the inventor's federal law suit is stayed, frozen, waiting upon the results of the PTAB. This is where the small independent inventor, myself, received an education, a shocking reality I never believed possible in the United States of American. This is my story.

I have been granted 10 utility patents all of which involve footwear, new technologies involving the internal illumination of footwear. In other words, shoes with lights and the brand name is Firebugs. These patents represent well over a \$300,000 investment which began in 2008. However, no one could have known then, what would later become of our patent office, just 4 years late.

My education, my shocking reality with the PTAB appears below in somewhat of a bullet point format, which I can certainly expand on in more detail if desired.

1. The accused “infringer”, the “defendant”, and in my case a fortune 100 company, has more rights within the U.S. Federal Court system, than within the PTAB. In other words, a defendant may present any and all relevant evidence and prior art, no matter the source, so to establish a defense within the U.S. Federal Court system.
2. This is not true within the PTAB. When a Petitioner files and Inter Party Review or “IPR” with the PTAB, the “Petitioner” (the fortune 100 company) is greatly limited as to the evidence which may be submitted within their petition, their “claim” that the subject patent is invalid. This evidence is limited only to the “prior art” on file with the patent office at the time the subject patent was filed.
3. Why then would any defendant in a federal court restrict themselves from the ability to present any and all relevant evidence, by filing a petition within the PTAB where they are then restricted to only that prior art on file with the patent office, and predating the filing of the subject patent? Seems like a bad idea, right? That was until I discovered the “rules” and abuses.
4. Simply put, the rules within the PTAB are completely different from the rules within our federal court system and it is these rules and abuses which have destroyed our patent system.
5. One such rule difference is the definition of claimed element. A federal court relies upon the definition of a claimed element as disclosed and taught by the inventor. The PTAB, does not rely upon an inventor’s definition, description or teaching of a claimed element. Instead, the PTAB will rely upon the “broadest reasonable” definition of an element, which in fact may and in my case did, change the meaning, intent, use and the actual material of a shoe upper, which in my case required the upper to be textile. The PTAB, under the broadest reasonable definition as submitted by the petitioner, accepted a definition of my “light diffusing textile shoe upper” to include a window may of plastic.
6. Additionally, the PTAB allowed the petitioner to reinvent an element from prior art. First in allowing the petitioner to rename the element, a name not disclosed by the inventor. Further, the PTAB allowed the petitioner to use the same element number for the element they renamed. The petitioner then uses and relocates the element as a layer within the shoe, despite there being no disclosure by the inventor. Lastly, to offer an argument as to why numerous elements must be reduced in size, so to create a more compact component. Suspiciously, not downsized with all the other elements was the element that the PTAB allowed the reinvention, renaming, relocation and new use as a shoe layer none of which was disclosed by the inventor of that element. Result, the petition then “met” the final limitation of my claimed invention. The petitioner had a challenge, which was to create a way that their reinvented element could come in contact with both the upper of their shoe, as well as their plastic window, also not disclosed by the inventor(s) of the prior art they relied upon. This, despite my invention NOT having a plastic window. The PTAB not only permitted this and invalidated my patent, the PTAB did not address or acknowledge my argument against the petitioner’s “reinvention” in their final ruling of invalidity. This, despite the fact that the petitioner’s own expert stated in deposition, he was not aware of a need or motivation for this reinvented element to contact the petitioners upper and window.

7. The PTAB, a panel of three judges review petitions and elect to institute those petitions or not. Once instituted, the same judges ultimately make a final ruling on whether or not to invalidate an inventor's patent. Unlike a federal court, no witnesses are allowed to testify. In my case much of the evidence submitted and arguments made were NOT acknowledged or address in the PTAB's final rulings. Did they review that evidence? Did they consider those arguments? There is no way to know, yet the rules in fact require the PTAB to address each piece of evidence submitted and argument made, while acknowledging the amount weight applied to each in the finding of their final ruling.
8. Is a panel of three PTAB judges who institute a petition ultimately bias, during the balance of trial and in their final ruling? What motivation might they have so to ultimately disagree with their first decision? What can human nature tell us?
9. Another PTAB rule and abuse involves conflicts. Unlike our judiciary, a PTAB judge need not disclose conflicts he or she may have as it concerns the petitioner and inventor/defendant. For example, an attorney representing a fortune 100 company in a patent case, found herself later serving as an administrative judge in an IPR which her former employer, that fortune 100 company was in fact the petitioner, attempting to invalidate a competitor's patent it had allegedly infringed. The rules did not require the PTAB judge to recuse herself. Is this acceptable? Did she still own stock in her former employer's company. Did she benefit directly or indirectly by way of the ruling she participated in. Alternatively, was she the "lead" administrative judge in the case, thus having a stronger influence in the final decision.
10. Is a patent private property or not? The U.S. Constitution describes patents as being private property and thus provides certain rights, such as a trial. Has the time come for the legislative branch to make clear to the judiciary that patents are in fact private property? If not private property of the inventory, to whom does the patent belong to. If not the inventor, who then must have that dream, a patentable idea, invest in research, development, patent applications, production, sales, marketing and much more in order to bring a new product to market. Who then makes a commitment of a-life-time, suffers the agony, stress, while risking everything? If not the inventor, who then does the U.S. Constitution state that the patent belongs to. If not the inventory, who. If the U.S. Constitution does not mean what it says, if an inventor is not permitted to own his or her private property, a patent, why have a patent office. Simply put, this is not a question of what came first, the chicken or the egg.
11. The PTAB invalidates 86% of all patents which are instituted. If we are to believe 86% of these patents are in fact invalid, contrary to the rules and abuses which take place within the PTAB, the patent office is instead in a very different crisis. That crisis would involve the malpractice of the good men and women who work hard to advance innovation and ultimately prosperity within our nation. However, that is not the case. The malpractice which is taking place is within the PTAB and the PTAB has destroyed our patent system.
12. It is far cheaper for a fortune 100 company to infringe on a patent than to pay a reasonable royalty.
13. The federal court system limits an inventor's damages to a reasonable royalty, this reasonable royalty may not be larger than the costs associated with financing a law suit within federal court, much less the PTAB. This holds true even when a case may be prosecuted on a contingency-bases, which is why contingency agreement do not include PTAB proceedings.

14. If sued for infringement, a defendant only needs to litigate within the federal court for less than a year, which is plenty of time to petition the PTAB. Given that the majority of petitions are instituted and the majority of instituted petitions lead to invalidating the subject patents, on the outside chance the PTAB does not invalidate the patent, additional petitions can be filed by other parties. In fact, an inventor no matter if that inventor has alleged infringement or not, is subject to any and all petitions, no matter if filed from a person or entity outside of the U.S. or not. In other words, there is no limit to the number of petitions which may be filed against an inventor, claiming the invalidity of a patent.
15. I was quoted as much as \$600,000.00, in defense costs so to respond to a petition brought against me by a fortune 100 company. This, combined with the rules and abuses within the PTAB, all in an attempt to persuade the PTAB, that my patent, should be among the 14%, of instituted patents that should not be invalidated. In other words, the patent office after careful examination, having received all fees due, determined that my patent should be allowed, and therefore granted. However, only later does the patent office require me to redirect my attention from a federal court law suit, seek yet another law firm, one specializing in PTAB litigation and respond to a patent office proceeding within the PTAB, so to defend the validity of the very patent they examined, validated, allowed, issued and that I had paid for including maintenance fees. And for what, so the patent office can now determine for a second time the patentability of my invention, but this time at an enormous cost to me, within a rigged tribunal of a corrupt court.
16. Who benefits? The inventor, or BIG BUSINESS? The 100 million dollar publicly traded companies who have no issue with infringing on intellectual property, destroying the American dream for a small independent innovator of new technology; yet believe they cannot receive a fair trial in federal court. I suggest that the PTAB was created for big business so to remove the pesky small innovators from the market. That the PTAB, its rules and abuses is not a fair and equitable court. That the PTAB, in its arrogance and elitism has knowingly and intentionally afflicted irreversible harm to our patent office, our patent system, innovation, innovators, economic growth, prosperity, dreams, ambitions, families, lives and insults and disparages both those individuals who dare to participate in our patent system, as well as those good men and women who work hard in the examination process of patent applications.

My pray is that our patent system will once again be the envy of all nations.

Truly yours,

A handwritten signature in black ink, appearing to read "Roy R. Smith III". The signature is fluid and cursive, with "Roy R." on the top line and "Smith III" on the bottom line.

Roy R. Smith III (Trae)