

The Patent Trial and Appeal Board



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Administrative Patent Judges
Presentation for KAIPBA
July 28, 2016



The Board

- The Board is created by statute (35 U.S.C. § 6)
 - That statute mandates the Board's:
 - Duties
 - Composition
 - Qualifications for membership
 - Panel form of decision-making (appeals, derivation proceedings, post-grant reviews, and inter partes reviews)
- Original “board of disinterested persons” provided for in Patent Act of 1836
- Patent Act of 1861 formed the permanent Board of Appeals of “persons of competent legal knowledge and scientific ability”
 - President Lincoln appointed George Harding, Esq. of Philadelphia as the first “Examiner-in-Chief”



Statutory Members of the Board

35 U.S.C. § 6(a) provides:

There shall be in the Office a Patent Trial and Appeal Board. The **Director**, the **Deputy Director**, the **Commissioner for Patents**, the **Commissioner for Trademarks**, and the **administrative patent judges** shall constitute the Patent Trial and Appeal Board.



Judge Qualifications

- 35 U.S.C. § 6(a) provides:
The judges shall be “persons of competent legal knowledge and scientific ability” who are appointed by the Secretary of Commerce in consultation with the Director.
 - Each Judge has a law degree from an accredited law school and has been admitted to at least one state bar
 - Each Judge has at least a bachelors degree in science or engineering or equivalent
 - Many Judges have advanced degrees in science or engineering



Types of Proceedings

- Appeals in *ex parte* patent applications
- Appeals in reissue proceedings
- Appeals in *ex parte* and *inter partes* reexamination proceedings
- Interferences
- *Inter partes* reviews (IPR)
- Covered business method reviews (CMB)
- Derivations
- (Post-grant reviews) (PGR)



Statutory Basis - New

- Ex Parte Appeals – 35 U.S.C. § 134
- Ex Parte Reexam – 35 U.S.C. §§ 301-307
- Inter Parte Reexam – 35 U.S.C. §§ 311-318 (Pre-AIA, before 9/16/2012)
- Inter Partes Review – 35 U.S.C. §§ 311-319
- Post Grant Review – 35 U.S.C. §§ 321-329
- Transitional Program for Covered Business Method Patents – AIA § 18
- Derivation Proceedings – 35 U.S.C. § 135
- Interference – 35 U.S.C. § 135 (Pre-AIA before 3/16/2013)



Regulations

- Part 41 – Practice Before the Patent Trial and Appeal Board: 37 C.F.R. § 41+
 - Subpart A – General Provisions: 37 C.F.R. § 41+
 - Subpart B – *Ex Parte* Appeals: 37 C.F.R. § 41.30+
 - Subpart C – *Inter Partes* Appeals: 37 C.F.R. § 41.60+
 - Subpart D – Contested Cases: 37 C.F.R. § 41.100+
 - Subpart E – Patent Interferences: 37 C.F.R. § 41.200+



New Regulations

- Part 42 – Trial Practice Before the Patent Trial and Appeal Board: 37 C.F.R. § 42+
 - Subpart A – General Provisions: 37 C.F.R. § 42+
 - Subpart B – *Inter Partes* Review: 37 C.F.R. § 42.100+
 - Subpart C – Post-Grant Review: 37 C.F.R. § 42.200+
 - Subpart D – Transitional Program for Covered Business Method Patents: 37 C.F.R. § 42.300+
 - Subpart E – Derivation Proceedings: 37 C.F.R. § 42.400+



Manual of Patent Examining Procedure

- “MPEP”
 - Is guidance for Appellants and Examiners
 - Not law, rather, examination policy
- MPEP Chapter 1200 – Appeal
- MPEP Chapter 2300 – Interferences
- No MPEP Chapter for Trial Proceedings



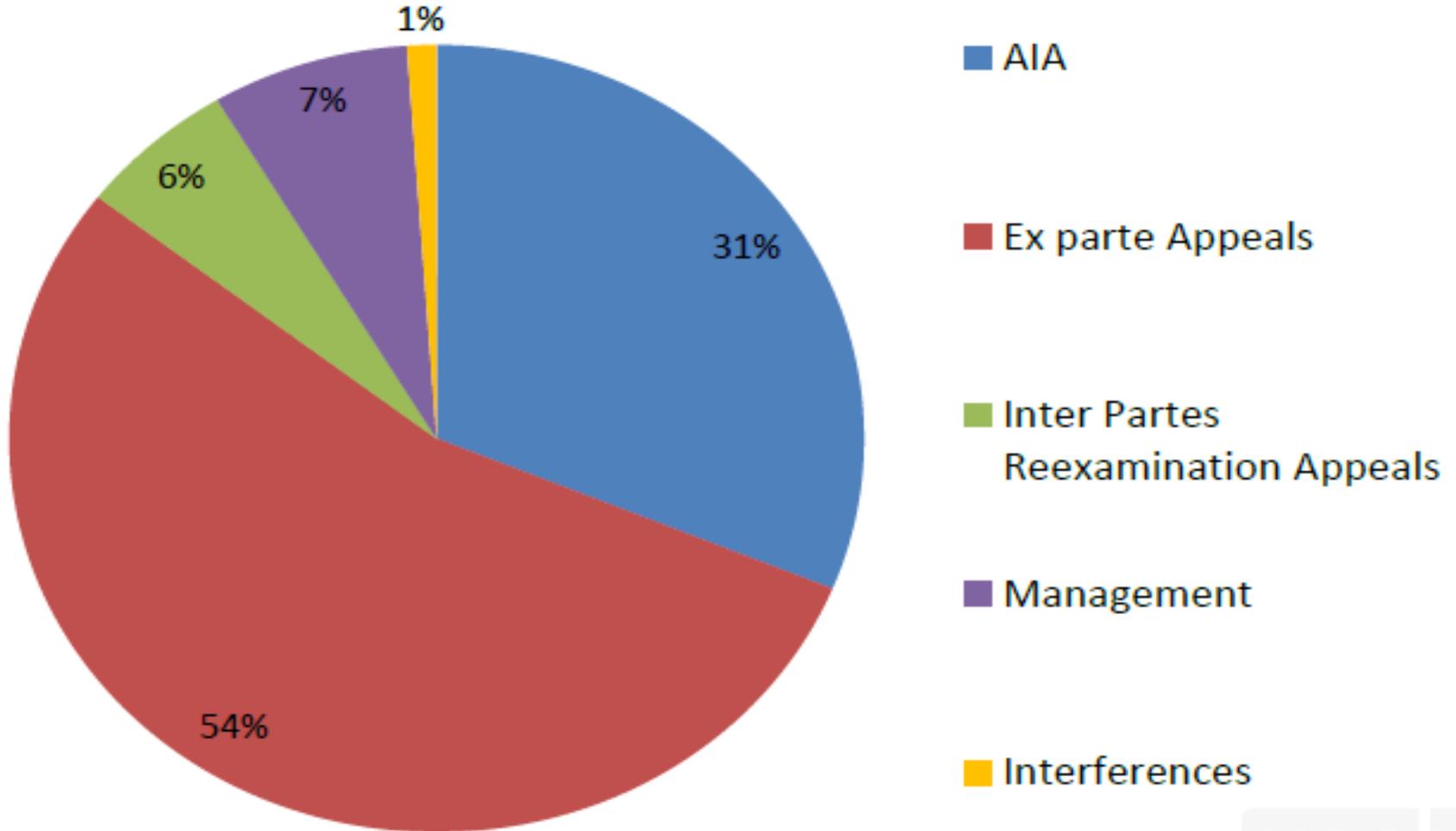
Other Sources

- Official Gazette Notices
- Federal Register Notices



Allocation of Duties Among Judges

as of June 13, 2016





Appeals

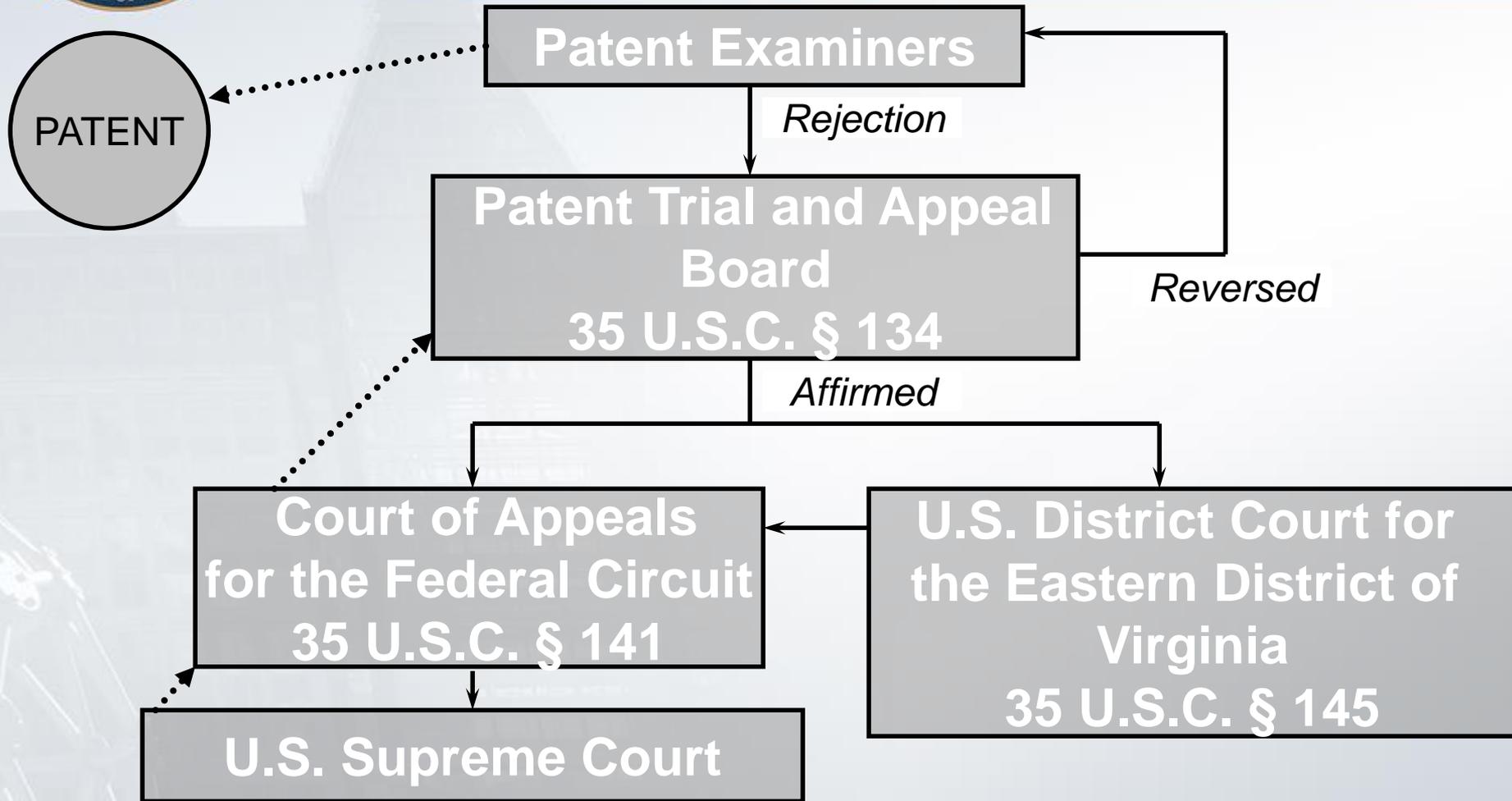


The Board's Appellate Jurisdiction (35 U.S.C. §134)

- “Twice Rejected” or Final Decisions of an Examiner
 - *Ex-Parte* Appeals
 - Reissue
 - Reexamination Appeals
 - *Ex-Parte* Reexam – request filed by Patent Owner, Third Party Requestor, and/or Director
 - Only Patent Owner participates
 - Only Patent Owner can appeal
 - *Inter Partes* Reexam – request filed by Third Party Requestor only.
 - Patent Owner and Third Party Requestor participate
 - Patent Owner and/or Third Party Requestor can appeal



The Board in the Ex-Parte Appeal Process





The Appeals Process

- *Ex Parte* appeals are from the Examiner's "adverse" decision rejecting the claims in a patent application
- Board is a judicial body reviewing issues for error based on issues identified by the Appellants
- Decisions are made based on the arguments in the Appeal briefs and the evidence relied upon by the Appellant and the Examiner in the record. (*Ex Parte Frye*, Appeal 2009-006013 (BPAI 2010) (Precedential)(Slip Op. at 9).)
- An oral hearing may be requested by applicant
 - Before the same panel to which the appeal is assigned
 - Generally limited to 20 minutes



Basic View of the Process

- Getting to be Heard at the Board
 - Twice Rejected (or “Final” Rejection)
 - Notice of Appeal
 - Pre-Appeal Review (July 12, 2005 OG Notice)
 - Filing of an Appeal Brief
 - Appeal Conference
 - Filing of an Examiner’s Answer
 - Filing of a Reply Brief
 - Oral Argument Request



The Appeal at the Board

- Docketing
 - Transfers jurisdiction
- Assigning a Panel
 - Chief Judge, Deputy Chief Judge
- Conference
- Oral Hearing (if requested)
- Post-Hearing Conference
- Circulating Opinion
- Signed Decision



Board Action by Panel Decision

- 35 U.S.C. § 6(b) requires final decision by minimum of 3-member Panels:
 - “Each appeal and interference shall be heard by at least three members of the Board, who shall be designated by the Director.”
- Expanded Panels



Decisions and Dispositions

- Affirm the Rejection
- Affirm-in-Part
- Reverse the Rejection

- Vacate the Rejection (rare)
- Remand the Application (rare)
- Dismiss the Appeal (rare)
- New Ground of Rejection (37 C.F.R. § 41.50(b))



Actions After Decision

- Request for Rehearing
- Appeal to CAFC
- District Court Proceeding in EDVA
- Publish the Opinion
- Make the Opinion Precedential or Informative
- Petitions



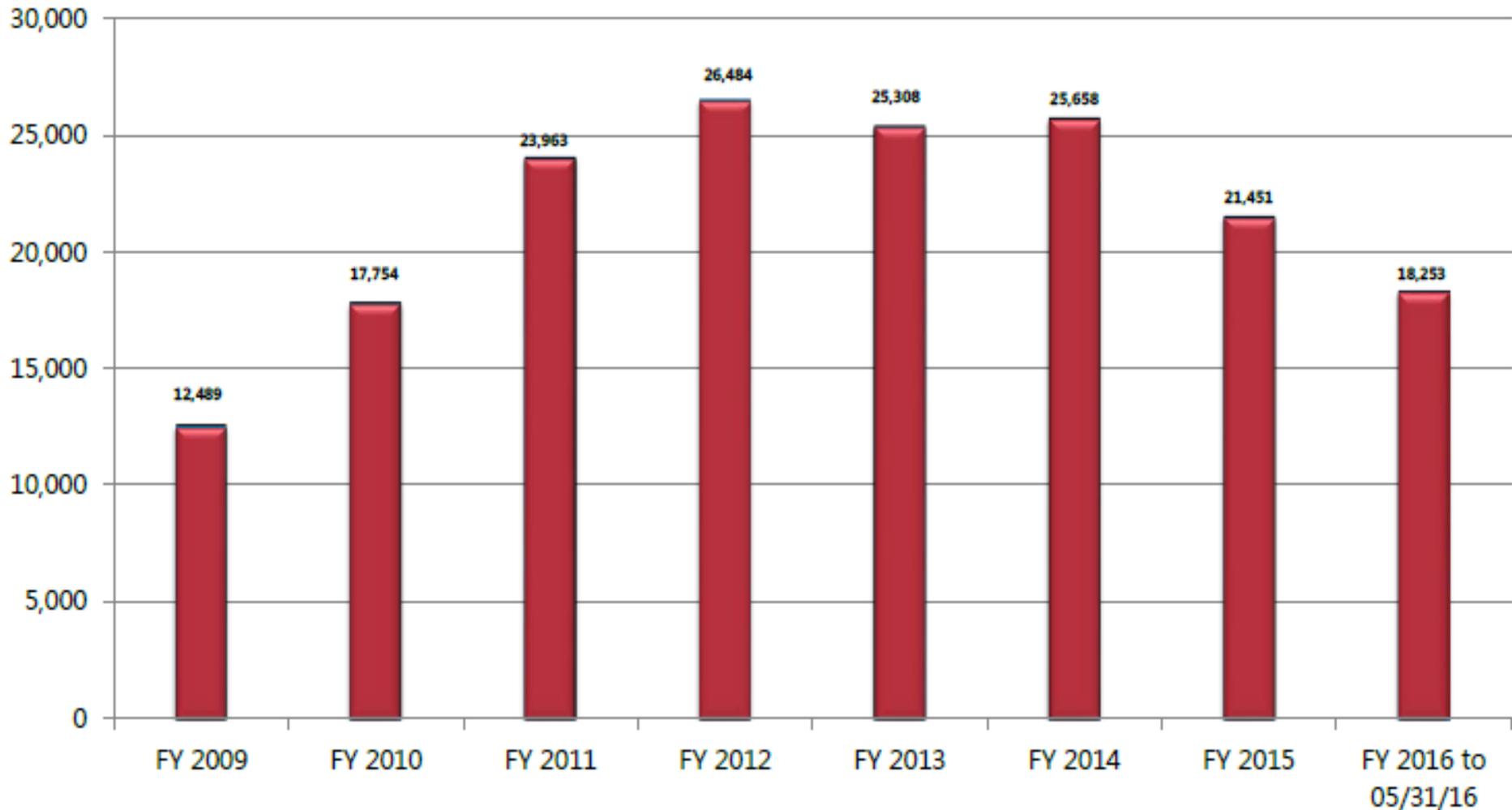
Our Reviewing Court – The Federal Circuit

- Standard of review by the Federal Circuit
 - Must be under the Administrative Procedures Act (APA)
 - Board’s fact findings are given deference while legal conclusions are reviewed without deference
 - “Substantial evidence” standard for fact findings by the Board
 - “*de novo*” standard for reviewing questions of law



PTAB Inventory-Pending Ex Parte Appeals

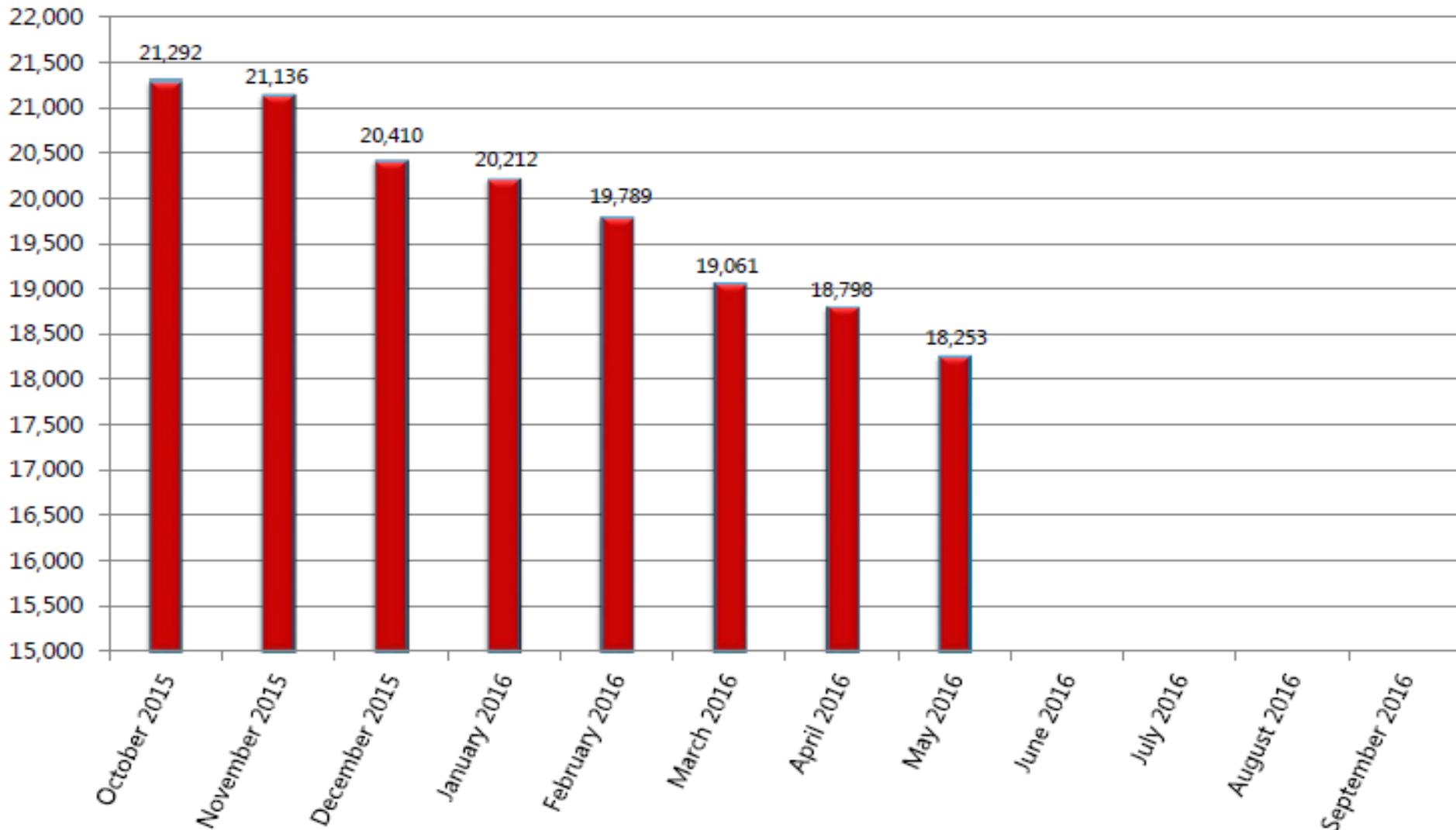
(excluding appeals from reexamination proceedings)





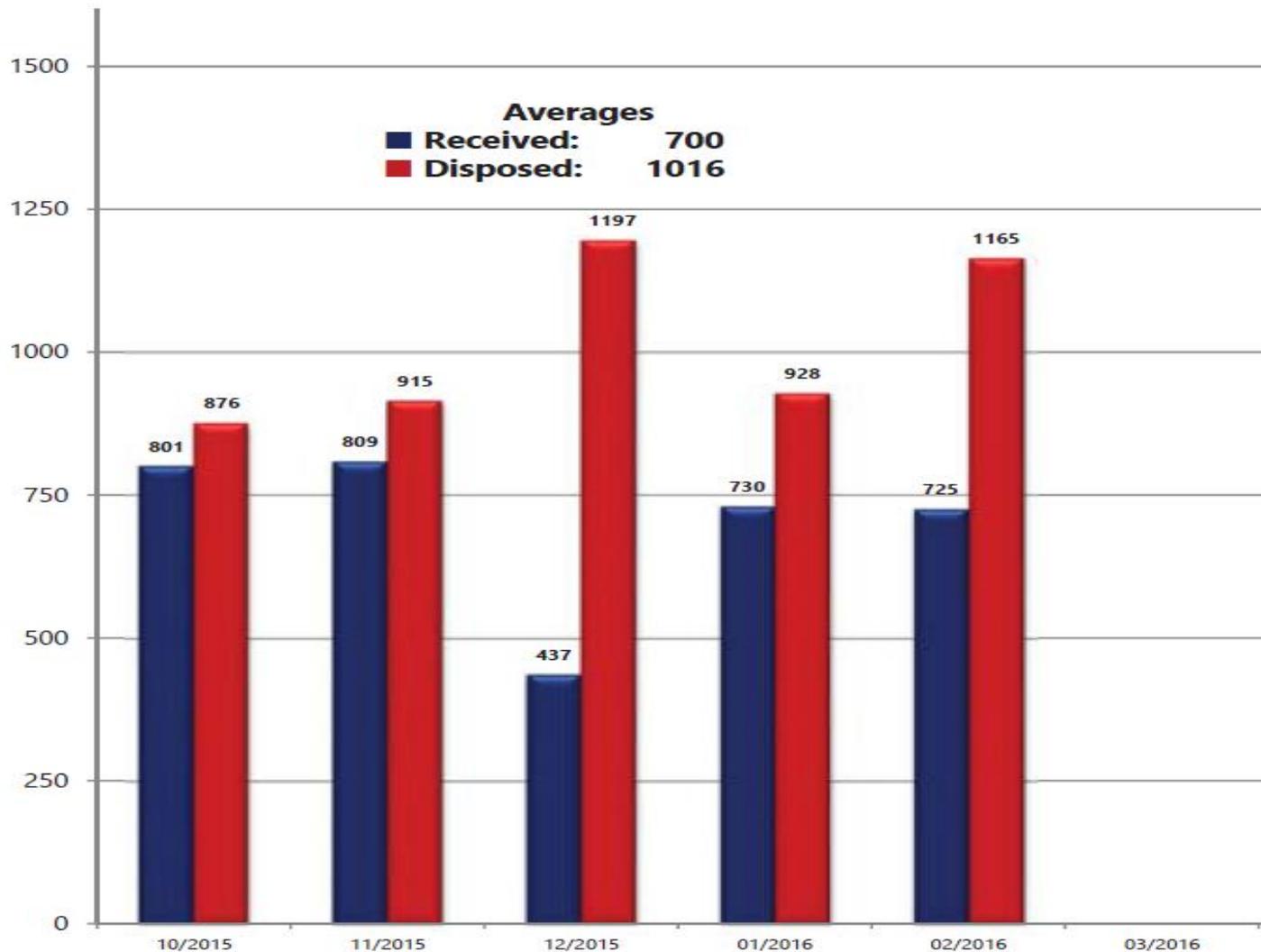
PTAB Inventory-Pending Ex Parte Appeals

(excluding appeals from reexamination proceedings)



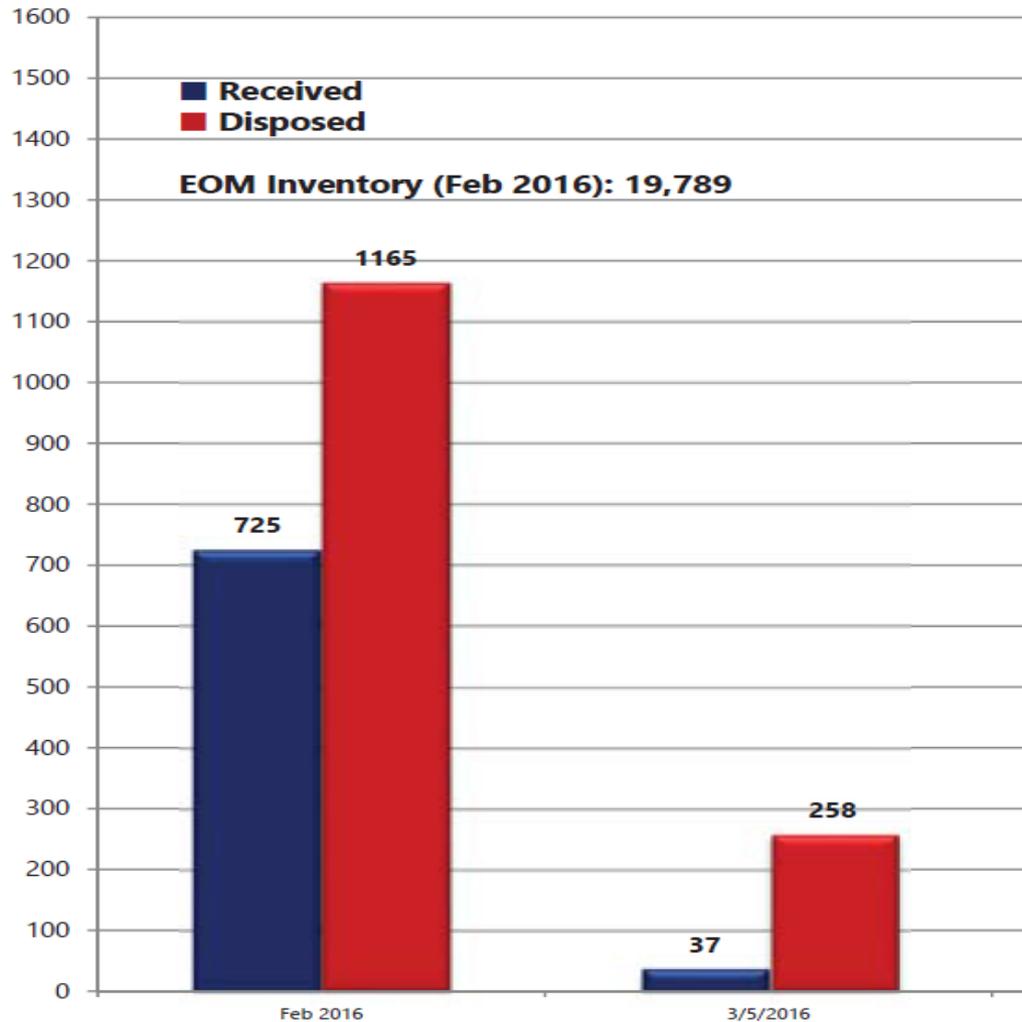


Receipts and Disposition Summary FY-2016





Receipts & Dispositions Summary-March 2016





Pendency of Decided Appeals

FY 2015

Discipline	Technology Center	Number of Decisions	Pendency from PTAB Docketing to Decision (Months)
Biotech	1600	534	33.5
Chemical	1700	1,480	24.9
Electrical	2100	1,934	31.4
	2400	2,077	31.0
	2600	1,652	31.0
	2800	773	26.9
Designs	2900	29	30
Mech/Bus Methods	3600	2,031	31.7
	3700	1,772	30.4
Reexams	3900	287	6.1
Total Average		12,569	29.7



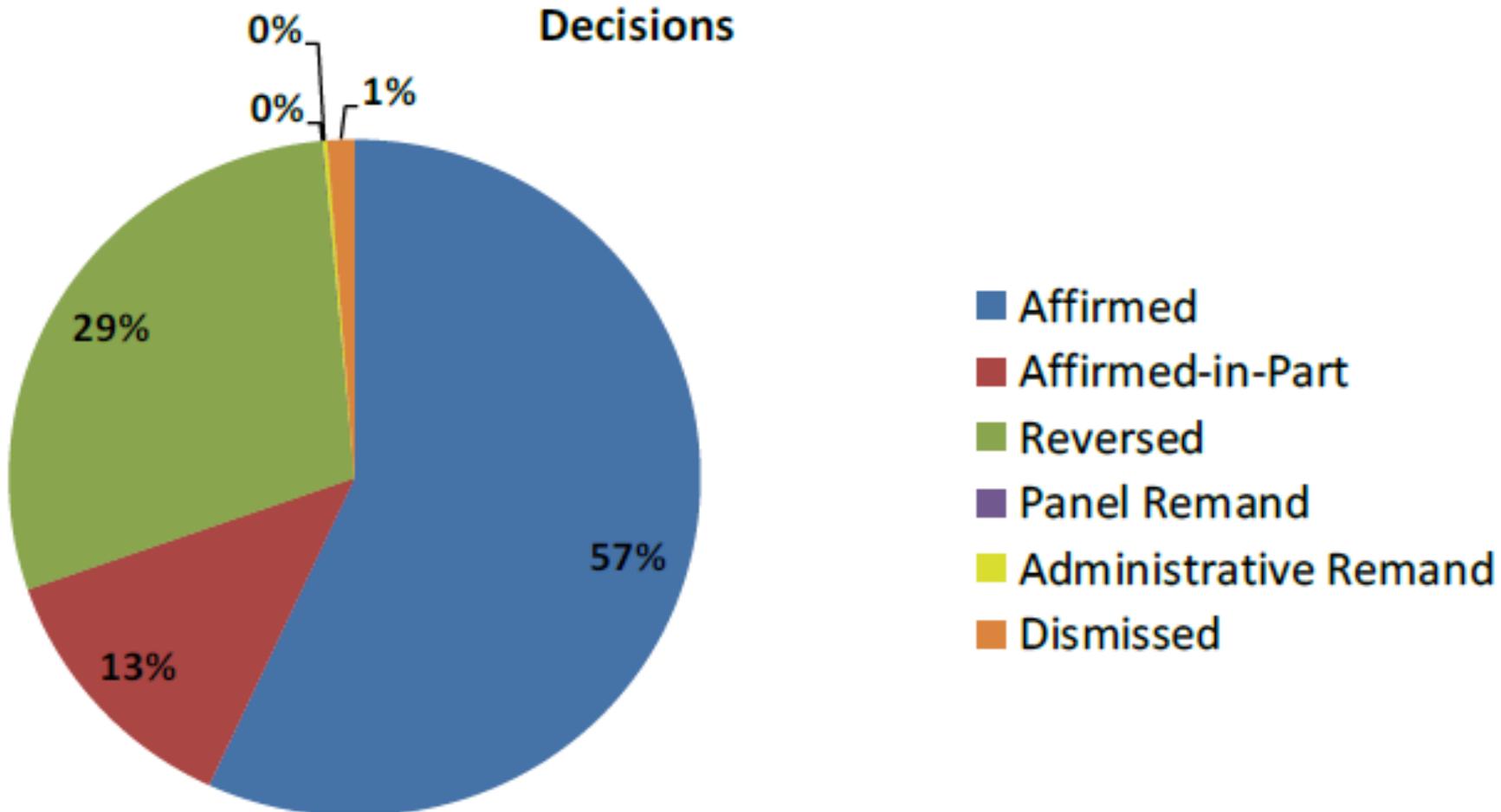
Pendency of Decided Appeals

FY 2016 (October 1, 2015 – May 31, 2016)

Discipline	Technology Center	Pendency from PTAB Docketing to Decision (Months)
Biotech	1600	32.6
Chemical	1700	23.3
Electrical	2100	26
	2400	25.5
	2600	25.6
	2800	24.5
Designs	2900	29.8
Mech/Bus Methods	3600	30.9
	3700	29.2
Reexams	3900	7.2
Total Average		26.7



Decisions by Type: FY2015





Outcomes at the Federal Circuit

	FY2012	FY2013	Total
Affirmances	67	46	113
Reversals	4	4	8
Remands	10	7	17
Dismissals	12	14	26
Total	93	71	164



Outcomes at the Federal Circuit FY 2016

Category	Q1	Q2	Q3	Grand Total
Affirmed	30	44	37	111
Dismissed	2	1	1	4
Reversed	2	1	2	5
Vacated/Remanded	2	2		4
Affirmed/Vacated In Part		6	1	7
Affirmed/Reversed In Part		2	2	4
Reversed/Vacated In Part		1		1
Vacated as Moot		1		1
Affirmed/Reversed/Vacated In Part			2	2
Affirmed/Dismissed as Moot			1	1
Grand Total	36	58	46	140



Outcomes at the Federal Circuit FY 2016

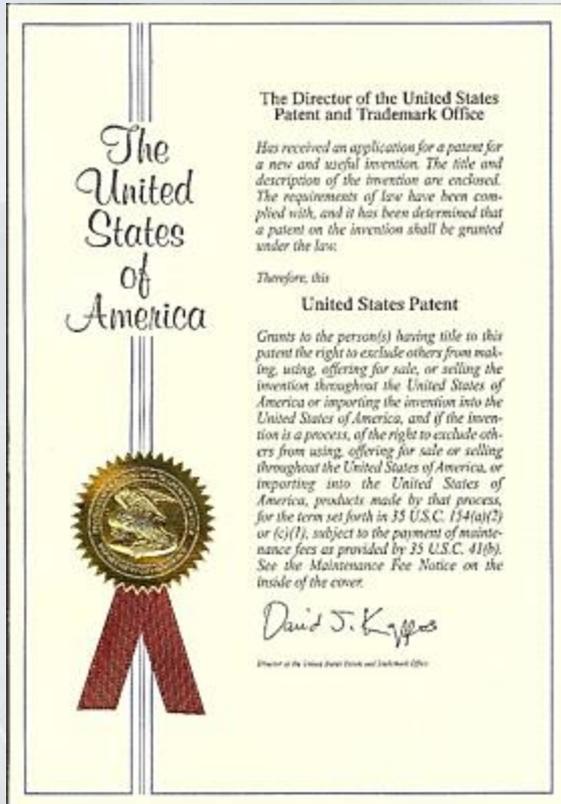
Category	Ex		IP			Re-Exam	Grand Total
	CBM	P	Interference	ReEx	IPR		
Affirmed	2	18	3	25	57	6	111
Dismissed				2	1	1	4
Reversed			1	2	2		5
Vacated/Remanded		1			3		4
Affirmed/Vacated In Part			1	1	5		7
Affirmed/Reversed In Part	1			1	2		4
Reversed/Vacated In Part				1			1
Vacated as Moot					1		1
Affirmed/Reversed/Vacated In Part			1			1	2
Affirmed/Dismissed as Moot					1		1
Grand Total	3	19	6	32	72	8	140



Reexaminations



Reexamination



- Reexamination is an administrative proceeding to challenge the patentability of patents that have already issued.
- Time for Filing: any time during the period of enforceability of a patent, as a request by either a patent owner (EPX) or third party (EPX/IPX).
- Scope: limited to “the citation of patents and printed publications” and may include prior art “previously cited by or to the Office or considered by the Office.” MPEP § 2216.



Reexamination

Two Types of Reexamination

- *Ex parte* reexamination (EPX)
- *Inter partes* reexamination (IPX)
 - Discontinued Sept. 16, 2012 (AIA)
 - But many IPXs pending!



Difference Between Reexamination Appeals and Ex Parte Appeals

- Reexam deals with issued claims, which have enforceable rights
- Original issued claims are not subject to rejections under 35 U.S.C. §§101 and 112
 - However, 35 U.S.C. §112(a) may arise with respect to priority issues
- New or amended claims are subject to §112, but not subject to §101 (37 CFR §1.906(a))
- See MPEP 2217



Difference Between Reexamination Appeals and Litigation

- “In civil litigation [in a district court or an ITC], a challenger who attacks the validity of patent claims must overcome the presumption of validity [under 35 U.S.C. § 282] with clear and convincing evidence that the patent is invalid.” *In re Swanson*, 540 F.3d 1368, 1377 (Fed. Cir. 2008).
- “By contrast, “[i]n PTO examinations and reexaminations, the standard of proof—a preponderance of the evidence—is substantially lower than in a civil case [in a district court or an ITC].” *Swanson*, 540 F.3d at 1377.



Difference Between Reexamination Appeals and Litigation

- **Prior to Expiration of the Patent–Broadest Reasonable Interpretation. *Swanson*, 540 F.3d at 1377-78 (“[U]nlike in district courts, in [USPTO examination and] reexamination proceedings[,] ‘[c]laims are given ‘their broadest reasonable interpretation, consistent with the specification...’”); see also *In re Yamamoto*, 740 F.2d 1569, 1571 (Fed. Cir. 1984)**
- **If Patent has Expired–the standard changes to that similar to District Court consistent with *Phillips v. AWH Corp*, 415 F.3d1303 (Fed. Cir. 2005)(en banc). *Ex Parte Papst-Motoren*, 1 USPQ2d 1655 (BPAI 1986 (“[A] policy of liberal claim construction may properly and should be applied. Such a policy favors a construction of a patent claim that will render it valid, i.e., a narrow construction, over a broad construction that would render it invalid.”); see also *In re Rambus, Inc.* 415 F.3d 42, 46 (Fed. Cir. 2012).**



Standard for Initiating

- ▶ A determination of whether “a substantial new question of patentability” (SNQ) affecting any claim of the patent has been raised (EPX) (pre-AIA IPX); or
- “[A] reasonable likelihood that the requester would prevail with respect to at least one of the claims challenged in the request” for IPX filed from Sept. 16, 2011 to Sept. 15, 2012 (post-AIA).
- 35 U.S.C. §§312-13; MPEP 2642(I)
- * May not file a new request for *inter partes* reexamination (IPX) as of September 16, 2012



Standard for Initiating

- “A prior art patent or printed publication raises a substantial question of patentability where there is a substantial likelihood that a reasonable examiner would consider the prior art patent or printed publication important in deciding whether or not the claim is patentable.” MPEP §2242(I)



Standard for Initiating

- Reexaminations may be based on prior art “previously cited by or to the Office or considered by the Office.” 35 U.S.C. §303(a) (effective date November 2, 2002) (statute superseded *In re Portola Packaging, Inc.*, 110 F.3d 786 (Fed. Cir. 1997)).
- “[T]he PTO should evaluate the context in which the reference was previously considered and the scope of the prior consideration and determine whether the reference is now being considered for a substantially different purpose.” *In re Swanson*, 540 F.3d 1368, 1380 (Fed. Cir. 2008)(concluding that prior art used as a secondary reference in an obviousness rejection was sufficient to establish SNQ when previously considered as an anticipatory reference)



Standard for Initiating

- Appealable issue in *ex parte* reexaminations (75 Fed. Reg. 36357-8) Waived unless: (1) reconsideration was first requested during reexamination before the Examiner (after 6/25/2010) and (2) Patent Owner raises the issue in the Appeal Brief.
- Petitionable (non-appealable) Issue in *inter partes* reexamination. See *Belkin Int'l, Inc. v. Kappos*, 696 F.3d 1379 (Fed. Cir. 2012) (citing 35 U.S.C. §312(c))



Amendments

- In EPX, claims may be amended or added in order to distinguish the invention as claimed from the prior art cited under the provisions of 35 USC §301, or in response to a decision adverse to the patentability of a claim of a patent
- In IPX, a Patent Owner may propose any amendment to the patent and a new claim or claims
- In both EPX and IPX, the claims may not be broadened beyond the scope of the original claims. 35 U.S.C. §305.

Test for broadening is same as that used for broadening reissue applications. *In re Freeman*, 30 F.3d 1459, 1464 (Fed. Cir. 1994)

- Different than Reissue, which can be broadened if filed within 2 years.



Amendments: Effect of Expiration

- When a patent expires during reexamination, any amendments made before (1) expiration and (2) mailing a Notice of Intent to Issue a Reexamination Certificate (NIRC) are withdrawn.
- Expiration can occur any time during the reexamination process, including during appeal.



Amendments: Effect on Concurrent Litigation

- Amendments made during reexamination may impact concurrent litigation.
- Intervening Rights
 - Making amendments may implicate intervening rights which may result in a change and/or loss of damages and royalties in which the unamended claims would otherwise entitle the PO to, if confirmed.
 - *Marine Polymer Technologies, Inc. v. HemCon, Inc.*, 672 F.3d 1350 (Fed. Cir. 2012), the Federal Circuit held that intervening rights arise in a patent reexamination only when the claims have been amended or are new.



EPX Appeal

- EPX appeals are much like regular ex parte appeals.
 - Only the PO has a right of appeal.



IPX Appeal

After the Examiner issues the RAN:

- PO can appeal any decision adverse to patentability of any original patent claim or proposed amended or new patent claim
- TPR can appeal any final decision favorable to patentability of such claims
 - Includes any final determination not to make a proposed rejection of any original, proposed amended, or new claim of the patent
- Can result in cross-appeals within 14 days of service of a party's notice of appeal if the Examiner's RAN contains decisions that are both adverse and favorable to patentability. 37 C.F.R. 41.61(b); MPEP 2674.01
- TPR estopped from later asserting in any civil action invalidity of any claim finally determined to valid and patentable on any ground that TPR raised or could have raised during the IPX proceeding
 - Exception: newly-discovered prior art unavailable to TPR and USPTO during IPX proceedings



Ex Parte Reexamination

Request for
Reexamination
filed by TPR
(1.510)

SNQ?
(1.515(a)) If
yes, reexam
ordered. If no,
reexam is
terminated.

Examiner
issues Office
action.
If PO does not
respond, a
NIRC is issued.

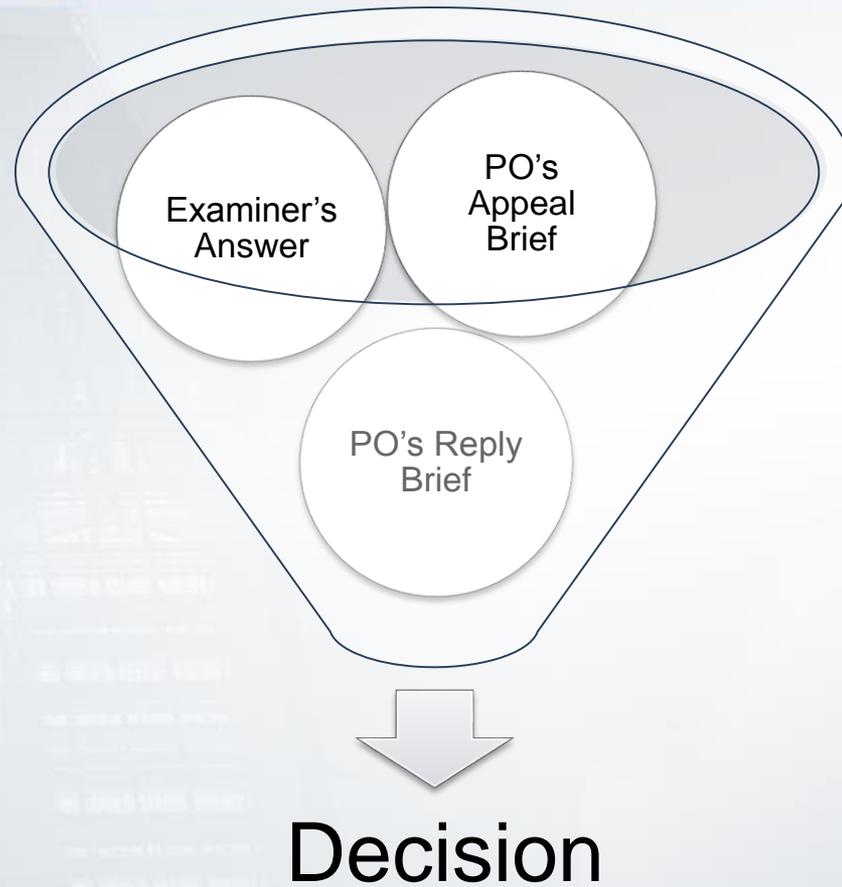
Examiner
issues final
rejection.
PO responds.

Examiner
considers PO
response and
either reopens
prosecution or
maintains.

Appeal
(41.31)



Potential Briefs in an EPX Appeal





Actions After the EPX Decision is Mailed

- Adverse Board Decision
 - Request for Rehearing
 - PO may appeal the decision of the PTAB only to the United States Court of Appeals for the Federal Circuit pursuant to 35 U.S.C. §141.
- Decision favorable to patentability A Notice of Intent to Issue Reexamination Certificate (NIRC) will be mailed



Inter Partes Reexamination

Request for
Reexamination
filed by TPR.
(1.913).

Threshold to
Initiate Met?
If yes, reexam
ordered and
Initial Office
Action issued.
If no, reexam
denied.

PO responds.
(1.945)
TPR responds
30 days from
service of PO
in form of TPR
comments.
(1.947).

Examiner
issues Action
Closing
Prosecution
(ACP).
(1.949).

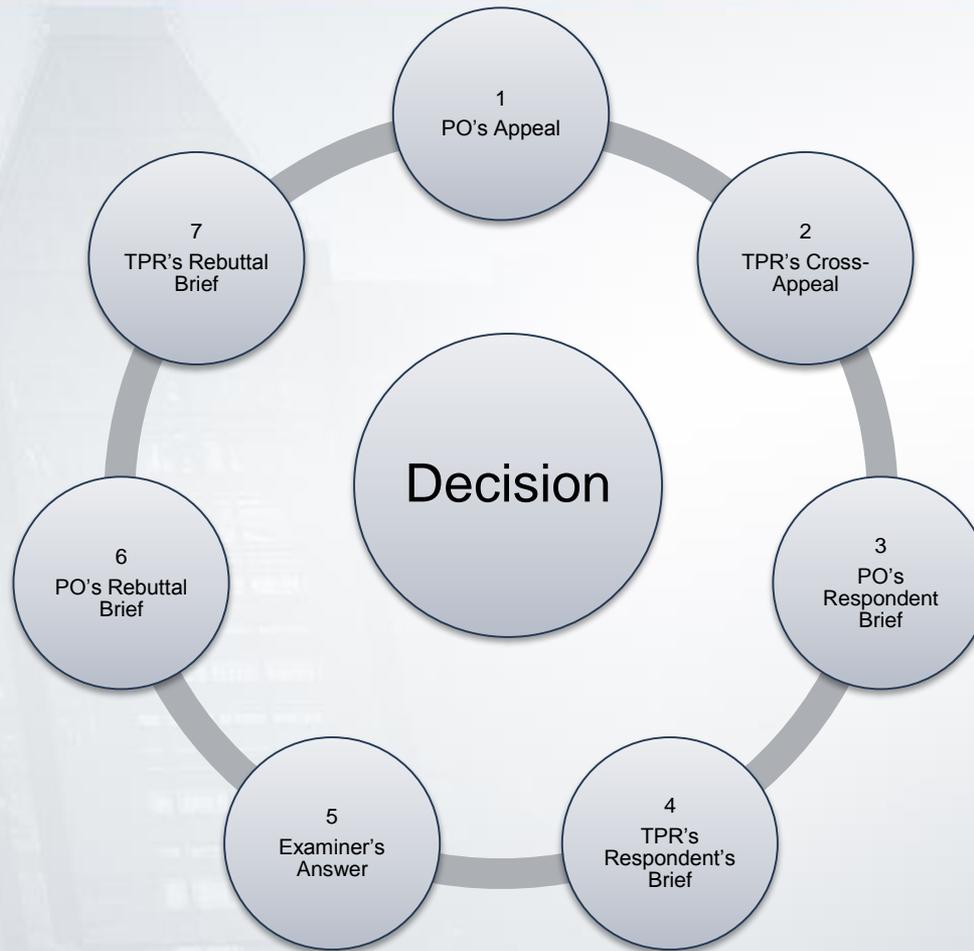
PO responds.
(1.951(a)).
TPR makes
comments.
(1.951(b)).

Examiner
issues Right of
Appeal Notice
(RAN).
(1.953).

Appeal
(41.61)



Documents Considered in Rendering a Decision





Action After the IPX Decision is mailed

- Either PO or TPR may appeal, cross-appeal, or be a party to an appeal to the CAFC. 35 U.S.C. §141. This right of appeal only occurs after both parties' rights to request rehearing have passed, and the PTAB's decision is final and appealable
- If decision contains a new ground, PO can also reopen prosecution under §41.77



The Estoppel Effect

- In IPX, a TPR is estopped from asserting at a later time, in any civil action arising in whole or in part under section 1338 of title 28, the invalidity of any claim finally determined to be valid and patentable on any ground which the TPR raised or could have raised during the IPX proceedings. 35 U.S.C. §315(c).



Effect of Litigation on Reexamination

- A final federal court decision upholding the validity of patent claims has no binding effect on a concurrent reexamination or reissue proceeding where the PTO was not a party or a privy to earlier litigation resulting in such decision. *In re Trans Texas Holdings Corp.*, 498 F.3d 1290, 1297-98 (Fed. Cir. 2007); *Ethicon Inc. v. Quigg*, 849 F.2d 1422, 1428 (Fed. Cir. 1988)



Effect of Litigation on Reexamination

- A final, non-appealable federal court decision holding a patent claim invalid or unenforceable is binding on the PTO. “If a court finds a patent invalid, and that decision is either upheld on appeal or not appealed, the PTO may discontinue its reexamination.” *Ethicon*, 849 F.2d at 1429.



Reexamination Statistics



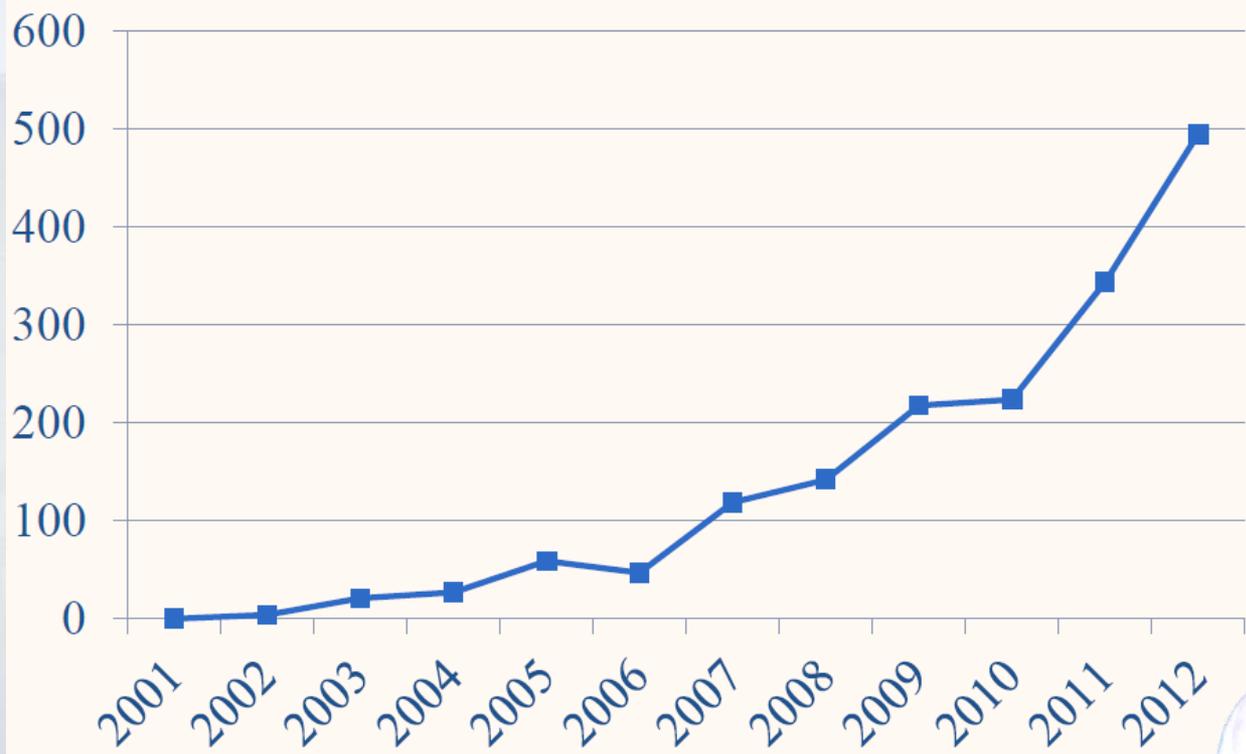
Inter Partes Reexamination Statistics

Inter Partes Activity	2008	2009	2010	2011	2012
Determinations on Requests, total	150	229	231	365	543
Requests Granted	142	218	224	344	495
Requests Denied	8	11	7	21	48
Requests known to have related Litigation	115	220	196	280	298
Filings by Discipline					
Chemical	38	35	45	57	100
Electrical	67	153	174	216	263
Mechanical	63	70	62	97	163



Inter Partes Reexamination Statistics

Inter Partes Reexamination Requests Granted





Inter Parte Reexamination Statistics

	Inter Partes Reexam FY 2012	Inter Partes Reexam FY 2013	Inter Partes Reexam FY 2014	Inter Partes Reexam FY 2015
PTAB Pendency (months)	5.9	6.3	5.85	6.24
Disposals	154	239	230	219
Inventory	113	134	159	157



Ex Parte Reexamination Statistics

Ex Parte Activity	2009	2010	2011	2012	2013*
Determinations on Requests, total	614	662	767	475	442
Requests Granted	574	607	685	422	413
Requests Denied	40	55	82	53	39
Requests known to have related Litigation	372	347	326	100	NA
Filings by Discipline					
Chemical	120	137	143	162	NA
Electrical	335	414	395	426	NA
Mechanical	197	217	216	191	NA

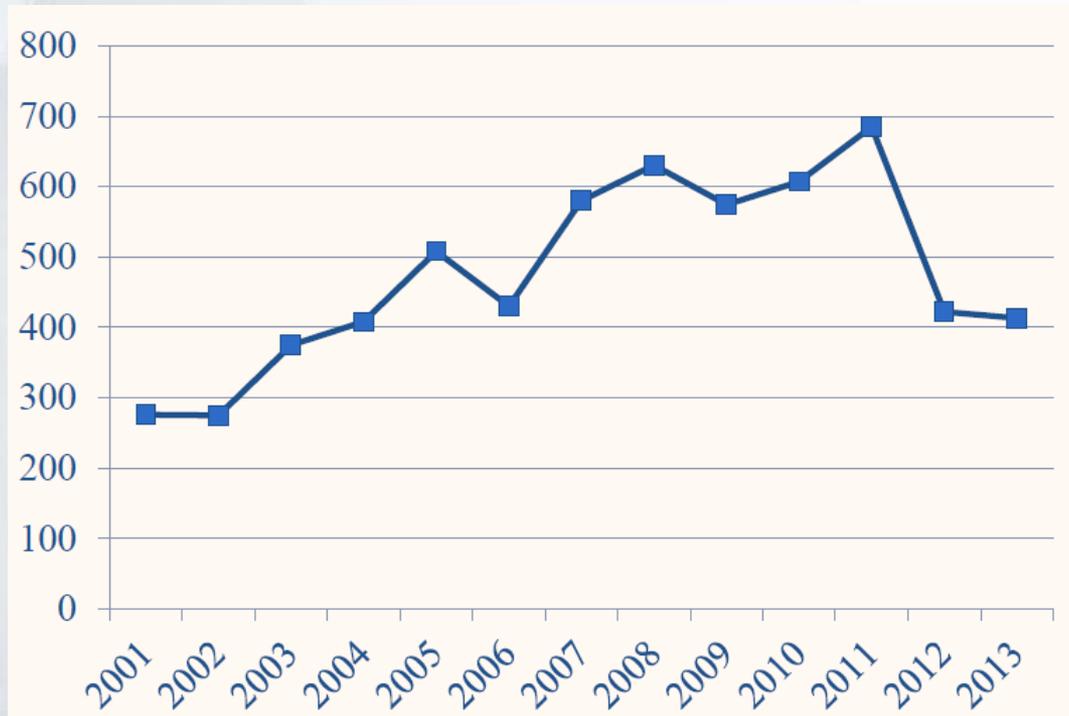
*Data through 3rd quarter

NA=Data not readily available



Ex Parte Reexamination Statistics

Ex Parte Reexamination Requests Granted*



*Data for FY2013 through 3rd quarter



Recent Reexamination Statistics

	Inter Partes Reexam FY 2012	Inter Partes Reexam FY 2013	Ex Parte Reexam FY 2012	Ex Parte Reexam FY 2013
PTAB Pendency	5.9 months	6.3 months	4 months	6 months
Disposals	154	239	114	116
Docketed	72	113	53	56
Inventory	113	134	66	74



Reexamination Statistics

- Number of Board Decisions

Fiscal Year	Inter Partes Reexam	Ex Parte Reexam
2011	56	149
2012	154	114
2013	181	102
2014*	24	8
2014**	145-260	100-110
2015**	115-240	90-110

*Data through October 31, 2013

**Projected



AIA Trial Proceedings



Major Differences between IPR, PGR, and CBM

Proceeding	Available	Applicable	Timing
Post Grant Review (PGR)	From patent grant to 9 months after patent grant or reissue	Patent issued under first-inventor-to-file	Must be completed within 12 months from institution, with 6 months good cause exception possible
Inter Partes Review (IPR)	For first-inventor-to-file, from the later of: (i) 9 months after patent grant or reissue; or (ii) the date of termination of any post grant review of the patent. For first-to-invent, available after grant or reissue (technical amendment)	Patent issued under first-to-invent or first-inventor-to-file	Must be completed within 12 months from institution, with 6 months good cause exception possible
Covered Business Method (CBM)	Available 9/16/12 (for first-inventor-to-file only after PGR not available or completed)	Patents issued under first-to-invent and first-inventor-to-file	Must be completed within 12 months from institution, with 6 months good cause exception possible



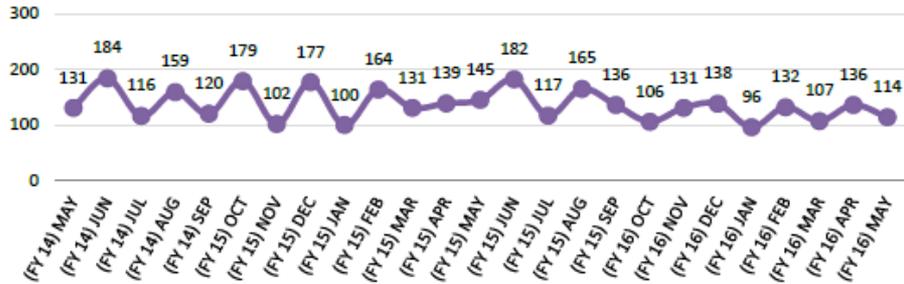
Major Differences between IPR, PGR, and CBM

Inter Partes Review (IPR)	Petitioner	Estoppel	Standard	Basis
Post Grant Review (PGR)	<ul style="list-style-type: none"> Person who is not the patent owner and has not previously filed a civil action challenging the validity of a claim of the patent Must identify all real parties in interest 	<ul style="list-style-type: none"> Raised or reasonably could have raised Applied to subsequent USPTO/district court/ITC action 	More likely than not OR Novel or unsettled legal question important to other patents/applications	101, 102, 103, 112, double patenting but not best mode
Inter Partes Review (IPR)	<ul style="list-style-type: none"> Person who is not the patent owner, has not previously filed a civil action challenging the validity of a claim of the patent, and has not been served with a complaint alleging infringement of the patent more than 1 year prior (exception for joinder) Must identify all real parties in interest 	<ul style="list-style-type: none"> Raised or reasonably could have raised Applied to subsequent USPTO/district court/ITC action 	Reasonable likelihood	102 and 103 based on patents and printed publications
Covered Business Method (CBM)	<ul style="list-style-type: none"> Must be sued or charged with infringement Financial product or service Excludes technological inventions Must identify all real parties in interest 	<ul style="list-style-type: none"> Office—raised or reasonably could have raised Court-raised 	Same as PGR	Same as PGR (some 102 differences)

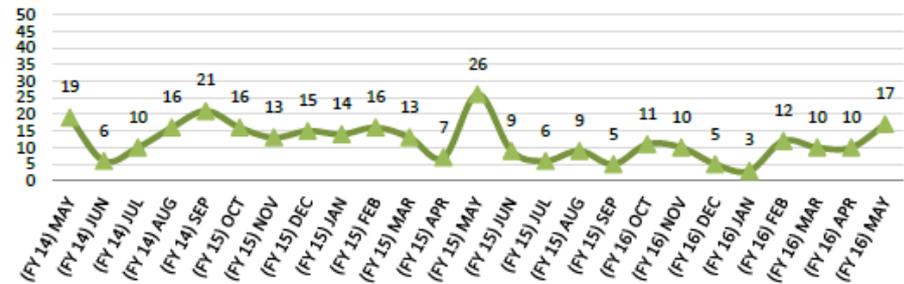


AIA Progress (as of May 31, 2016)

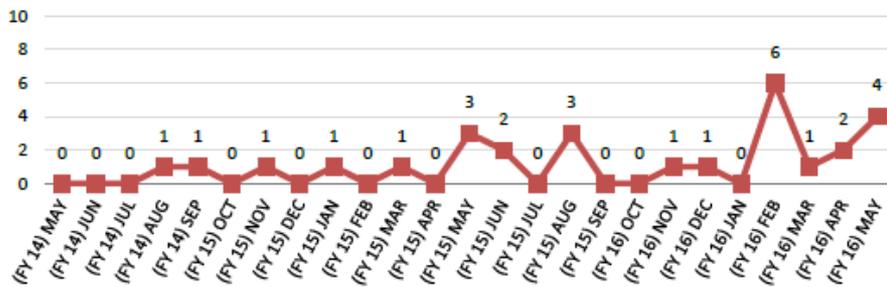
Number of IPR Petitions Filed by Month*



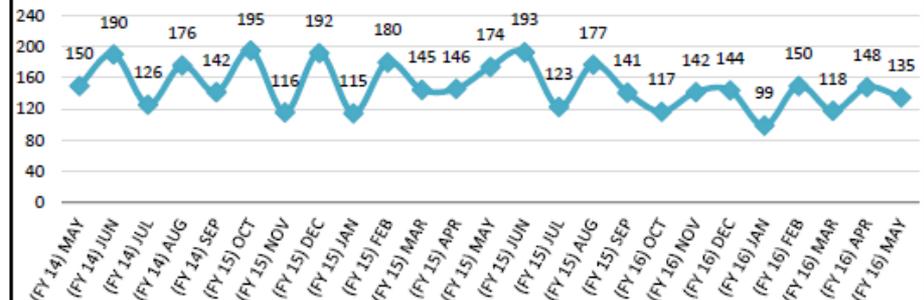
Number of CBM Petitions Filed by Month*



Number of PGR Petitions Filed by Month*



Number of TOTAL Petitions Filed by Month*



Narrative:

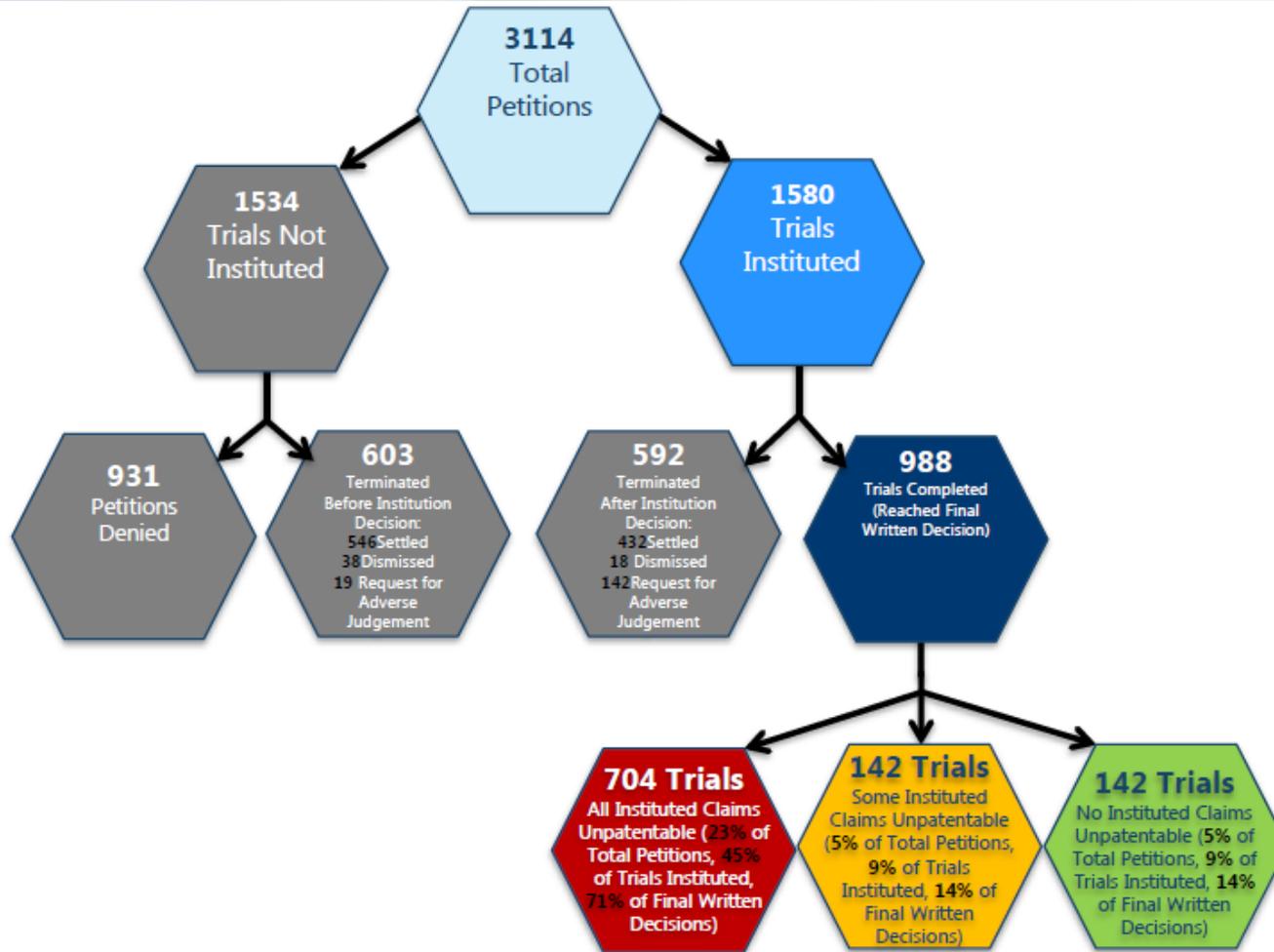
These line graphs display the number of IPR, CBM, and PGR petitions filed each month and the total number of all petitions filed each month from the effective date of the AIA trial provisions.

*Data current as of: 5/31/2016





Disposition of IPR Petitions Completed to Date (As of 5/31/2016)



Narrative:

This graph shows a stepping stone visual depicting the outcomes for all IPR petitions filed to-date that have reached a final disposition.

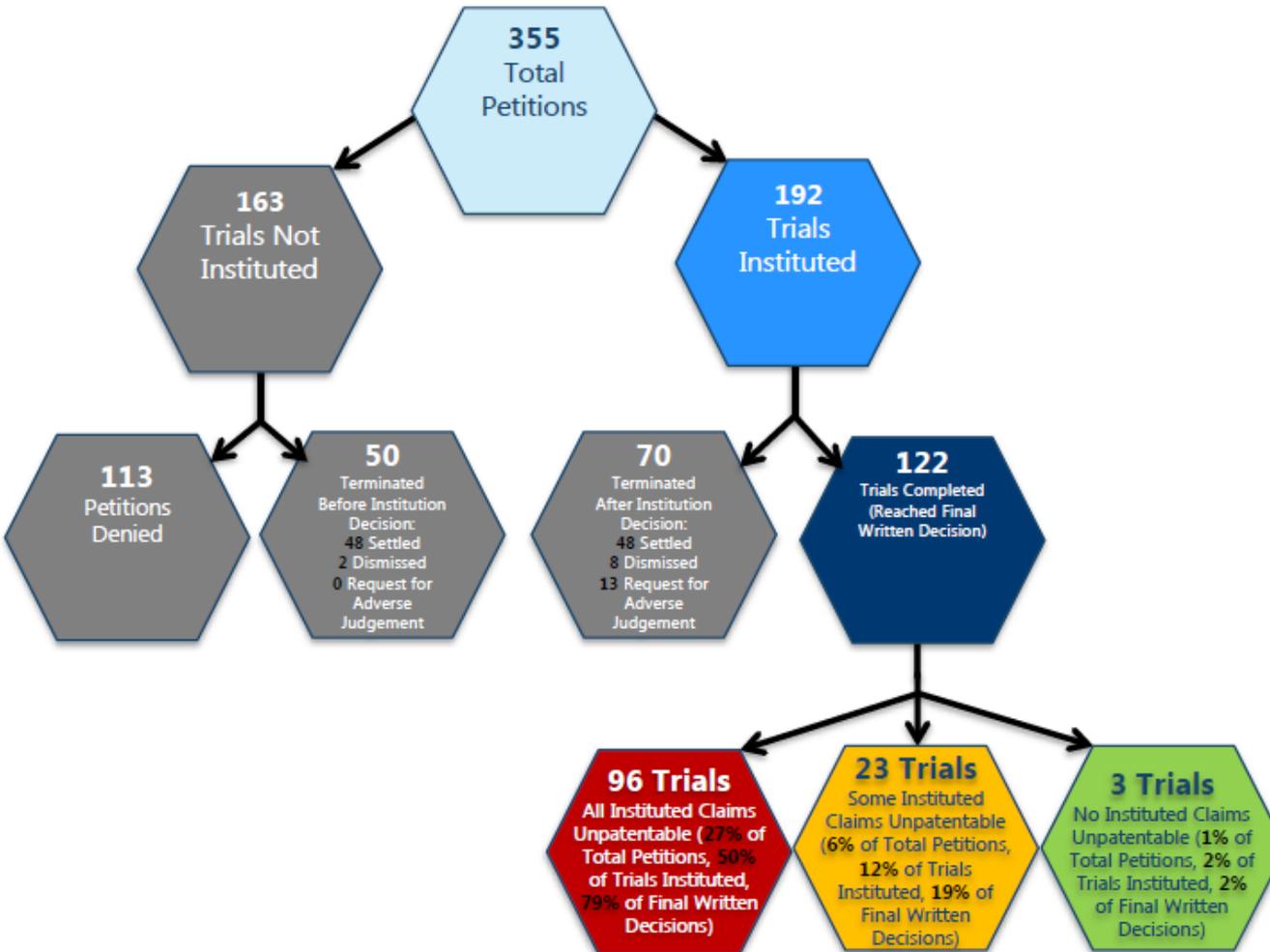
*Data current as of: 5/31/2016



Disposition of CBM Petitions Completed to Date (As of 5/31/2016)

Narrative:

This graph shows a stepping stone visual depicting the outcomes for all CBM petitions filed to-date that have reached a final disposition.

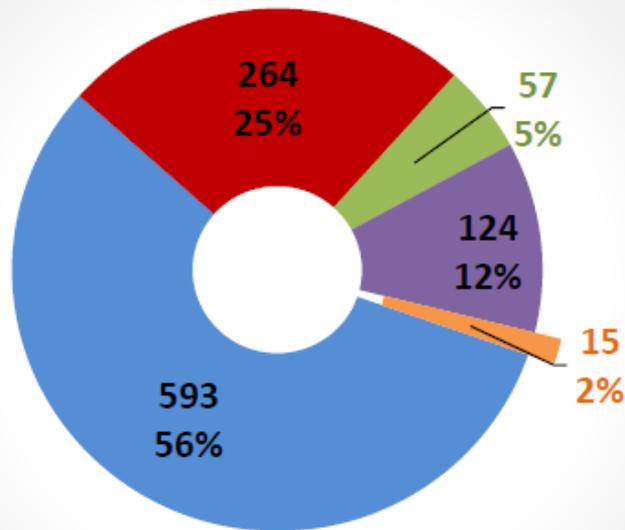


*Data current as of: 5/31/2016



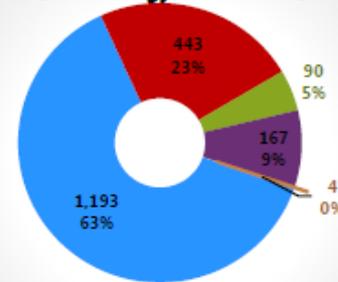
AIA Progress (as of May 31, 2016)

1053 Total AIA Petitions in FY 16*
(Technology Breakdown)

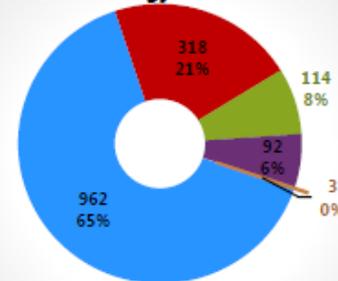


- Electrical/Computer - TCs 2100, 2400, 2600, 2800
- Mechanical/Business Method - TCs 3600, 3700
- Chemical - TC 1700
- Bio/Pharma - TC 1600
- Design - TC 2900

1897 Total AIA Petitions in FY 15*
(Technology Breakdown)



1489 Total AIA Petitions in FY 14*
(Technology Breakdown)



Narrative:

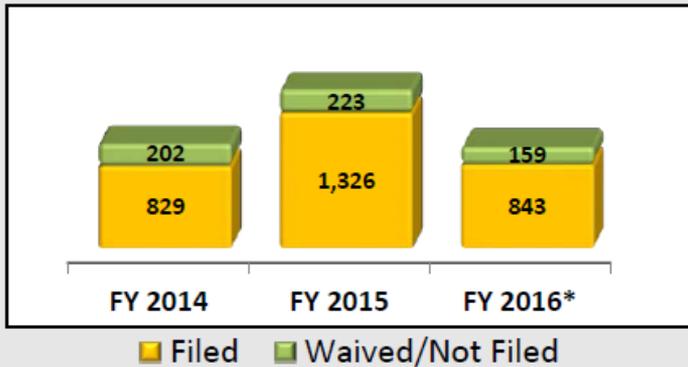
This pie chart shows the total number of AIA petitions filed in the current fiscal year to date as well as the number and percentage of these petitions broken down by technology.



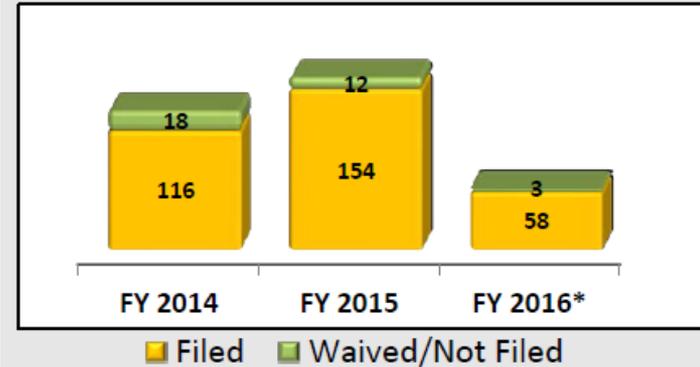
AIA Progress (as of June 18, 2015)

- Cumulative Patent Owner Preliminary Responses

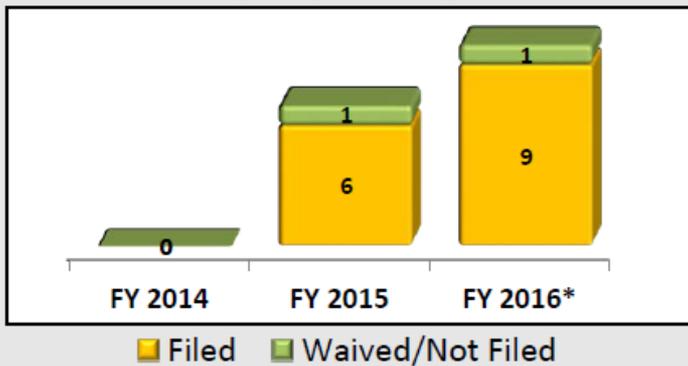
IPR - Number of Patent Owner Preliminary Responses by Fiscal Year



CBM - Number of Patent Owner Preliminary Responses by Fiscal Year



PGR - Number of Patent Owner Preliminary Responses by Fiscal Year



Narrative:

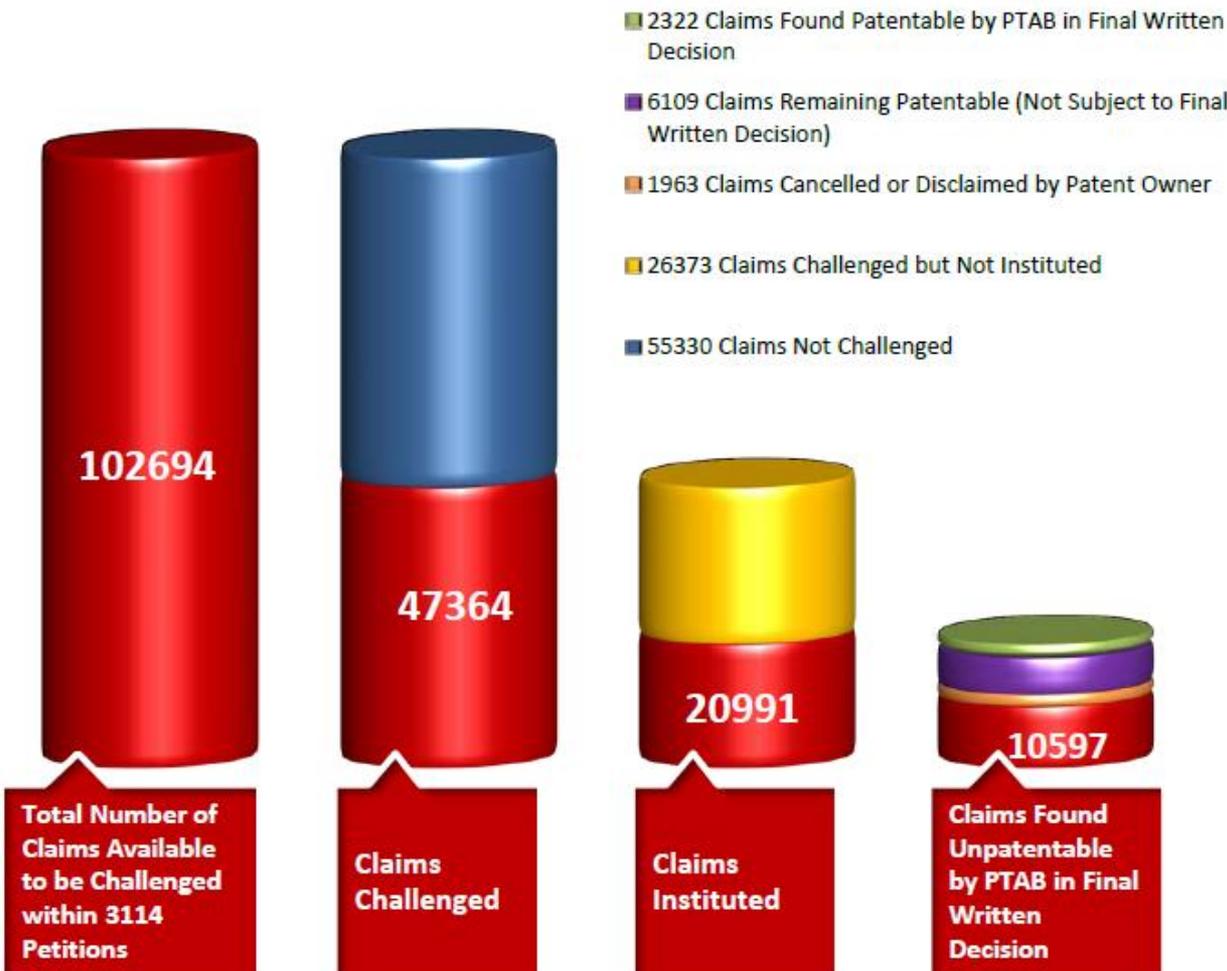
These three sets of bar graphs show the number of patent owner preliminary responses filed and waived/not filed each fiscal year in IPR, CBM, and PGR proceedings.

*Data current as of: 5/31/2016



AIA Progress (as of May 31, 2016)

IPR Petitions Terminated to Date*



Narrative:

This visual contains four cylinders. The first cylinder shows the total number of claims available to be challenged in the IPR petitions filed. The second cylinder shows the number of claims actually challenged and not challenged. The third cylinder shows the number of claims on which trial was instituted and not instituted. The fourth cylinder shows the total number claims found unpatentable in a final written decision, the number of claims canceled or disclaimed by patent owner after institution, the number of claims remaining patentable (not subject to a final written decision), and the number of claims found patentable by the PTAB.

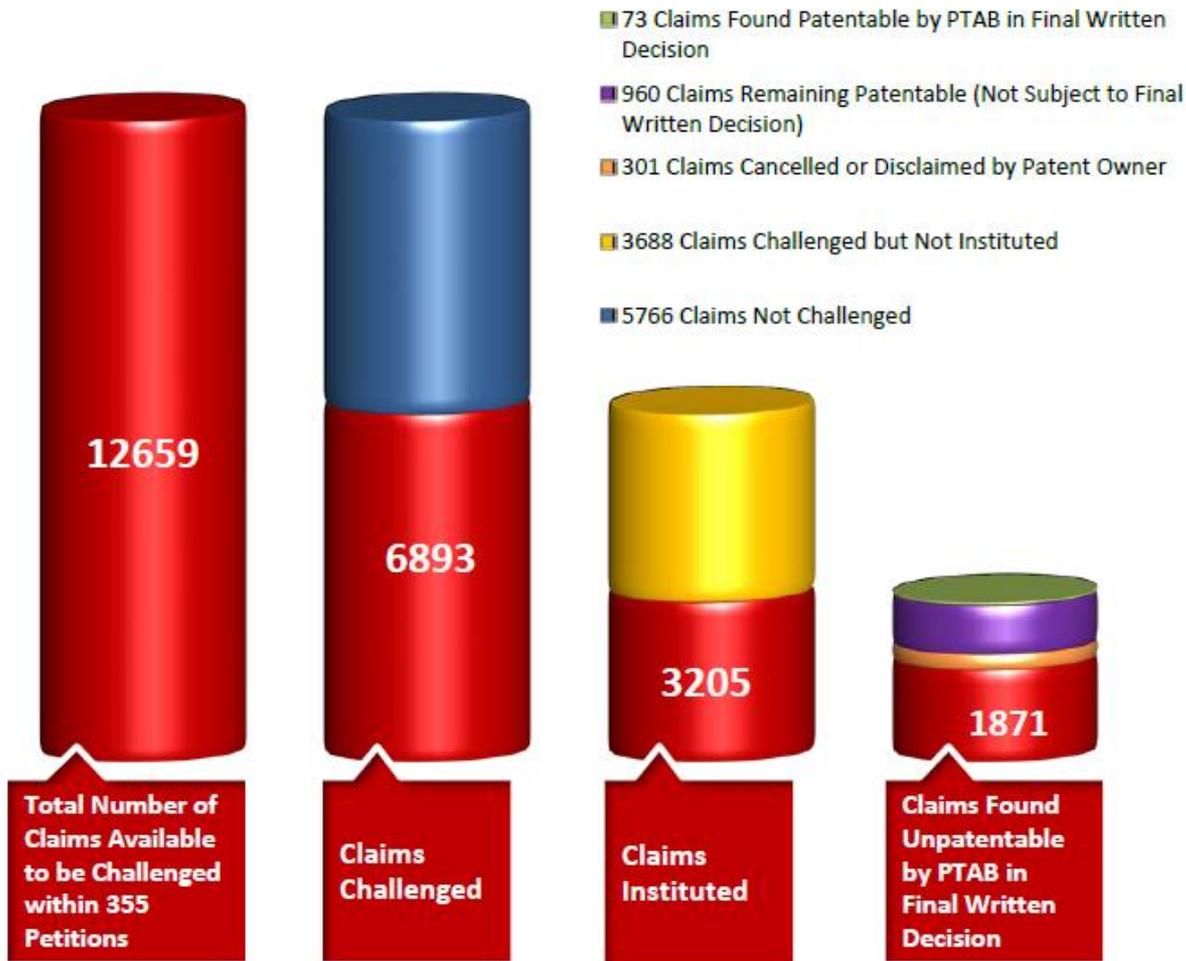
Note: "Completed" petitions include terminations (before or after a decision on institution) due to settlement, request for adverse judgment, or dismissal; final written decisions; and decisions denying institution.

*Data current as of: 5/31/2016



AIA Progress (as of May 31, 2016)

CBM Petitions Terminated to Date*



Narrative:

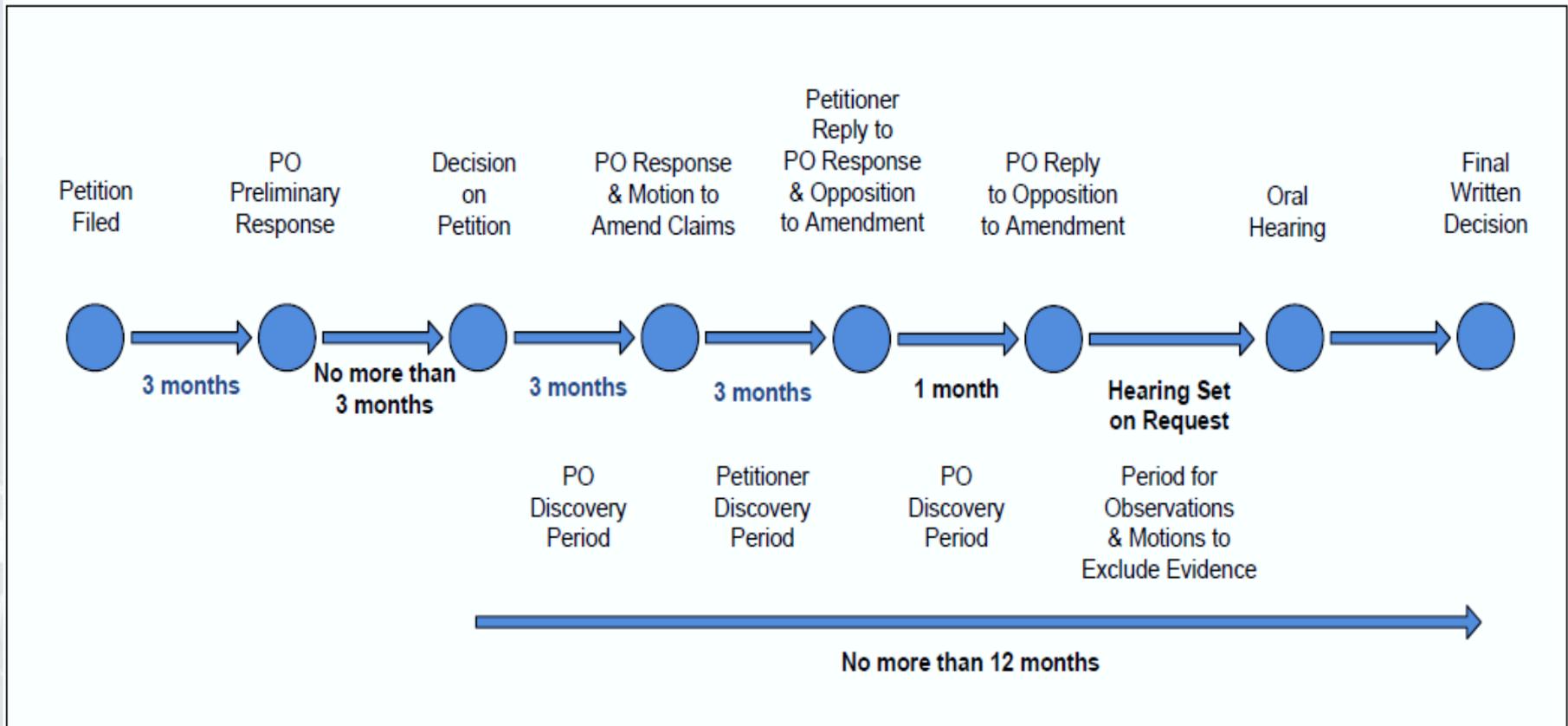
This visual contains four cylinders. The first cylinder shows the total number of claims available to be challenged in the CBM petitions filed. The second cylinder shows the number of claims actually challenged and not challenged. The third cylinder shows the number of claims on which trial was instituted and not instituted. The fourth cylinder shows the total number claims found unpatentable in a final written decision, the number of claims canceled or disclaimed by patent owner after institution, the number of claims remaining patentable (not subject to a final written decision), and the number of claims found patentable by the PTAB.

Note: "Completed" petitions include terminations (before or after a decision on institution) due to settlement, request for adverse judgment, or dismissal; final written decisions; and decisions denying institution.

*Data current as of: 5/31/2016



Standard Timeline





Claim Construction

- Standard: broadest reasonable construction in light of the specification of the patent in which claim appears 37 C.F.R. § 42.100(b)
- Most cases require more construction than mere restatement of the standard
- Justify a proposed construction with evidence
- The Board will construe terms even if the parties do not



Expert Declarations

- Focused tutorials may help
- Provide underlying objective facts to support testimony; unsupported testimony is entitled to little or no weight
 - 37 C.F.R. 42.65(a); see IPR2013-00022, Paper 43 (denying petition)
- Avoid merely “expertizing” claim charts and analysis



Patent Owner Preliminary Response

- Patentability is not decided at institution stage
- Focus arguments on dispositive issues:
 - Standing (statutory bar, RPI/privy issues)
 - Reference is not prior art
 - Prior art lacks a material limitation or teaches away
 - Unreasonable claim construction
- Arguments not raised in preliminary response are *not* waived



Additional Discovery

- Five-factor test articulated in IPR2012-00001, *Garmin v. Cuozzo*, Paper 26:
 1. More than a possibility and mere allegation?
 2. Seeking opponent's litigation position early?
 3. Ability to generate by other means?
 4. Instructions clear?
 5. Overly burdensome to answer?
- Documents: more likely to grant specific, relevant, requests than general requests



Joinder

- Must be a like review proceeding
- Requires filing a motion and petition
- File within one month of institution
- Impact on schedule important



AIA Rulemaking



AIA Rulemaking

- In response to stakeholder requests, the Office moved forward with two rule packages:
 1. A first final rule package that encompassed less difficult “quick-fixes” based upon both stakeholder comments and internal PTAB suggestions, including more pages for briefing for motions to amend and for petitioner’s reply brief; and
 2. A second proposed rule package published August 20, 2015, and the final rules published April 1, 2016
[\(<https://www.federalregister.gov/articles/2016/04/01/2016-07381/rules-of-practice-for-trials-before-the-patent-trial-and-appeal-board>\)](https://www.federalregister.gov/articles/2016/04/01/2016-07381/rules-of-practice-for-trials-before-the-patent-trial-and-appeal-board).
 - A correction published April 27, 2016, to clarify word count limitation – removes “grounds for standing under §§ 42.104, 42.204, or 42.304”
[\(<https://www.federalregister.gov/articles/2016/04/27/2016-09814/amendments-to-the-rules-of-practice-for-trials-before-the-patent-trial-and-appeal-board-correction>\)](https://www.federalregister.gov/articles/2016/04/27/2016-09814/amendments-to-the-rules-of-practice-for-trials-before-the-patent-trial-and-appeal-board-correction).



New Rules – Summary

- Claim Construction for Expiring Patents
- Patent Owner Preliminary Response
- Oral Hearings
- Word Count
- Rule 11-Type Certification



New Rules – Claim Construction

- A party may request district court-type (*Phillips*) construction
- Must certify patent will expire within 18 mos. from entry of Notice of Filing Date
- Motion and certification must be filed within 30 days from filing of Petition



New Rules – Preliminary Response

- Eliminates prohibition of new testimonial evidence
- Petitioner may seek leave to file a reply
 - Requires showing of “good cause”



New Rules – Preliminary Response

“The Board’s decision will take into account a patent owner preliminary response where such a response is filed, *including any testimonial evidence*, but a genuine issue of material fact created by such testimonial evidence *will be viewed in the light most favorable to the petitioner* solely for purposes of deciding whether to institute an inter partes [post-grant] review.”



New Rules – Oral Hearing

Demonstrative exhibits must be served at least seven business days before the oral argument and filed no later than the time of the oral argument.



New Rules – Word Count

- Petitions for IPRs: 14,000 words.
- Petitions for PGR/CBM: 18,700 words.
- Petitions requesting DER: 14,000 words.
- Preliminary Response and Response: same as Petition.
- Reply to Patent Owner Responses: 5,600 words



New Rules – Word Count

- New Exclusions in Petitions:
 - Grounds for standing
 - Mandatory notices
 - Certificate of word count
- Other Exclusions:
 - Table of contents
 - Table of authorities
 - Certificate of service
 - Appendix of exhibits or claim listings



New Rules – Rule 11-Type Certification

- Signature Requirements
 - Incorporate 37 C.F.R. 11.18(a)
 - Board may expunge unsigned submissions
- Representations
 - Incorporate 37 C.F.R. 11.18(b)(2)
- Sanctions
 - 21-day cure provision



New Rules – Signature Requirement

“Every petition, response, written motion, and other paper filed in a proceeding must comply with the signature requirements set forth in §11.18(a) of this chapter.”



New Rules – Signature Requirement

“For all documents filed in the Office in patent, trademark, and other non-patent matters, and all documents filed with a hearing officer in a disciplinary proceeding, except for correspondence that is required to be signed by the applicant or party, each piece of correspondence filed by a practitioner in the Office *must bear a signature*, personally signed or inserted by such practitioner “

37 C.F.R. 11.18(a)



New Rules – Representations

“By presenting to the Board a petition, response, written motion, or other paper—whether by signing, filing, submitting, or later advocating it—an attorney, registered practitioner, or unrepresented party attests to compliance with the certification requirements under §11.18(b)(2) of this chapter.”



New Rules – Representations

“(2) To the best of the party's knowledge, information and belief, formed after an inquiry reasonable under the circumstances,

(i) The paper is not being presented for any *improper purpose*, such as to harass someone or to cause unnecessary delay or needless increase in the cost of any proceeding before the Office;

(ii) The other *legal contentions therein are warranted* by existing law or by a nonfrivolous argument for the extension, modification, or reversal of existing law or the establishment of new law;

(iii) The *allegations and other factual contentions have evidentiary support* or, if specifically so identified, are likely to have evidentiary support after a reasonable opportunity for further investigation or discovery; and

(iv) The *denials of factual contentions are warranted* on the evidence, or if specifically so identified, are reasonably based on a lack of information or belief. “

37 C.F.R. 11.18(b)(2)(emphasis added)



New Rules – Sanctions Motions

- Requires a separate motion
- Motion must describe specific conduct
- Board must authorize filing
- Moving party must serve motion 21 days before seeking authorization
- No motion if opposing party “cures”



New Rules – Sanctions

- Board *sua sponte* may order attorney or party to show cause
- Sanctions must be consistent with § 42.12
- Sanctions order must describe conduct and explain basis



Recent PTAB Precedential Decisions



PTAB Designations for Decisions

PTAB Opinion Designation	Description of Designation
Precedential	A nominated decision may be considered for designation as precedential for any reason, but particular emphasis will be placed on opinions resolving conflicts or addressing novel questions. A precedential opinion is binding authority in subsequent matters involving similar facts or issues.
Informative	The Chief Judge may designate any nominated opinion as informative for any reason (unless it is designated as precedential). Opinions designated as informative provide the Board's general consensus on recurring issues and guidance to examiners, appellants, patent owners, or petitioners in areas where parties routinely misapply the law. An informative opinion is not binding authority .
Representative	The Chief Judge may designate any nominated opinion as representative (unless it is designated as precedential). Representative opinions typically provide a representative sample of outcomes on a matter and the designation is used to bring the opinions to the attention of the public. A representative opinion is not binding authority .
Routine	Every Board opinion is, by default, a routine opinion until it is designated as precedential or informative. A routine opinion is not binding authority .



Recent PTAB Precedential Decisions

- In May 2016, the Board designated the following five decisions as precedential:
 - ***Garmin Int'l v. Cuozzo Speed Techs. LLC***, IPR2012-00001, Paper 26 (Mar. 5, 2013) - This order discusses the factors considered in evaluating motions for additional discovery in IPR proceedings.
 - ***Bloomberg, Inc. v. Markets-Alert Pty, Ltd.***, CBM2013-00005, Paper 32 (May 29, 2013) - This order discusses the factors considered in evaluating motions for additional discovery in CBM proceedings.
 - ***Oracle Corp. v. Click-to-Call Techs., LP***, IPR2013-00312, Paper 26 (October 30, 2013) (precedential only as to Section III.A.) - This decision pertains to interpretation of “served with a complaint” for purposes of triggering the one-year time bar set forth in 35 U.S.C. § 315(b).
 - ***MasterImage 3D, Inc. v. RealD Inc.***, IPR2015-00040, Paper 42 (July 15, 2015) - This order provides guidance on patent owner’s burden to show entitlement to substitute claims.
 - ***Lumentum Holdings, Inc. v. Capella Photonics, Inc.***, IPR2015-00739 (Paper 38) (March 4, 2016) - This decision interprets 35 U.S.C. § 312(a)(2).
- Copies of these precedential decisions can be found on the USPTO's website.



Post Grant Resources

- Information concerning the Board and specific trial procedures may be found at:
www.uspto.gov/ptab
- General information concerning implementation of the Leahy-Smith America Invents Act, including post grant reviews, may be found at:
www.uspto.gov/aia_implementation



Questions?

- PTAB Web Page
 - www.uspto.gov
 - Click on “PTAB” Circle (left side, halfway down)
 - statistics, argument dates, opinions, the interference web portal, standard operating procedures, rules and other information
 - 571-272-9797
 - Staffed every weekday, 9:00 a.m. to 5:00 p.m.
 - 571-272-INTF (4683)
 - Interference procedural questions ONLY
 - 571-272-7822
 - Trial procedural questions ONLY