

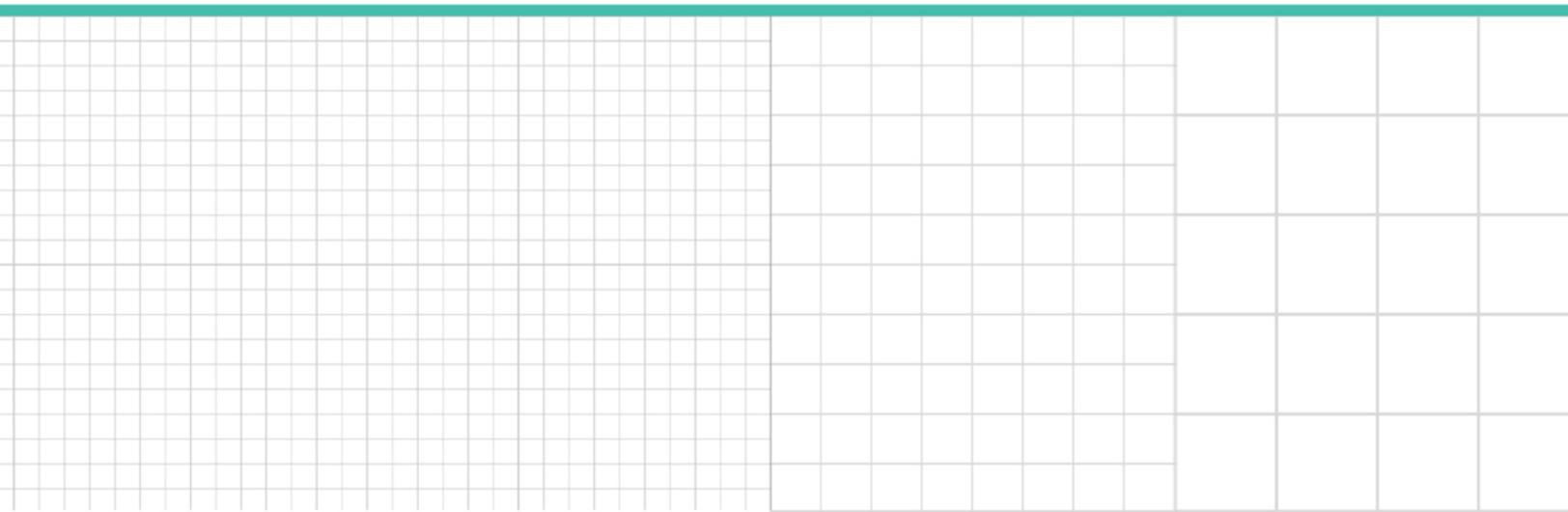


Professional Perspective

Current PTAB Guidance on Multiple IPR Petitions

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Current PTAB Guidance on Multiple IPR Petitions

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In view of the increasing number of petitions for inter partes review filed before the Patent and Trial Appeal Board since its inception more than six years ago, the PTAB has increased its scrutiny of so-called “serial” petitions—multiple petitions filed challenging the same patent. In this first part of a two-part article series, we examine the laws and rules governing institution of multiple IPR petitions challenging the same patent, including the PTAB's approach to exercising its discretion to institute or deny institution of multiple petitions and recent updates to the [PTAB Trial Practice Guide](#). In view of the Board's expanding use of discretion to manage its docket, this article series offers practice tips for practitioners that are considering filing an additional petition challenging a previously challenged patent.

Laws and Rules Governing Institution

The [America Invents Act](#), which created IPR proceedings, explicitly allowed any person other than a patent owner to file an IPR petition. [35 U.S.C. §311\(a\)](#). The statute also requires that certain parties—e.g., those against which a patent has been asserted and their real-parties-in-interest or privies—file within a year of being served with a complaint asserting the patent. [35 U.S.C. §315\(b\)](#). But other than those few requirements, the statute is quite permissive regarding the availability of IPR proceedings to those who wish to petition the USPTO with a challenge to a patent's validity. For example, parties who might be unable to challenge a patent's validity in district court—such as those without standing or those subject to assignor estoppel—have been permitted to file an IPR petition. See *Arista Networks, Inc. v. Cisco Sys., Inc.*, [908 F.3d 792](#), 804 (Fed. Cir. 2018) (“assignor estoppel has no place in IPR proceedings”).

The PTAB, however, has discretion whether to institute post-grant proceedings. [35 U.S.C. §314\(a\)](#) (“The Director may not authorize an inter partes review . . .”); [35 U.S.C. §325\(d\)](#). As the Federal Circuit explained, “the PTO is permitted, but never compelled, to institute an IPR proceeding.” *Harmonic Inc. v. Avid Tech., Inc.*, [815 F.3d 1356](#), 1367 (Fed. Cir. 2016). In theory, there are limits on the PTAB's discretion. See *Shaw Indus. Grp., Inc. v. Automated Creel Sys., Inc.*, [817 F.3d 1293](#), 1303 (Fed. Cir. 2016) (Reyna, concurring) (questioning “[t]he PTO's claim to unchecked discretionary authority”); [35 U.S.C. §2\(b\)\(2\)](#) (the USPTO “may establish regulations, not inconsistent with law”); see also *SAS Inst., Inc. v. Iancu*, [138 S. Ct. 1348](#), 1359 (2018) (limiting PTAB's discretion regarding one aspect of how to institute IPR proceeding). But as a practical matter, because institution decisions are nonappealable in most circumstances, the PTAB has considerable discretion and its guidance on how it will consider multiple petitions is crucially important to PTAB practitioners. [35 U.S.C. §314\(d\)](#); *Cuozzo Speed Techs., LLC v. Lee*, [136 S. Ct. 2131](#), 2134 (2016). But cf. *Wi-Fi One, LLC v. Broadcom Corp.*, [878 F.3d 1364](#), 1374 (Fed. Cir. 2018).

PTAB Guidance on Multiple IPR Petitions

The PTAB has outlined the factors that it will consider when determining whether to exercise its discretion to institute post-grant proceedings. These factors allow for consistency and transparency, and help conserve the Board's resources. The PTAB has signaled some of the factors it will consider by [designating certain PTAB decisions](#) as precedential or informative.

General Plastic Factors

The key PTAB precedential decision relating to multiple IPR petitions against the same patent is *General Plastic Industrial Co., Ltd. v. Canon Kabushiki Kaisha*, [Case IPR2016-01357](#) et al., Paper 19 (Sept. 6, 2017). In *General Plastic*, the PTAB explained that “[m]ultiple, staggered petitions challenging the same patent and same claims raise the potential for abuse.” Therefore, the PTAB set forth factors the Board considers when exercising discretion to grant or deny institution of IPR. These factors include:

- Whether the same petitioner previously filed a petition directed to the same claims of the same patent.
- Whether at the time of filing of the first petition the petitioner knew of the prior art asserted in the second petition or should have known of it.

- Whether at the time of filing of the second petition the petitioner already received the patent owner's preliminary response to the first petition or received the Board's decision on whether to institute review in the first petition.
- The length of time that elapsed between the time the petitioner learned of the prior art asserted in the second petition and the filing of the second petition.
- Whether the petitioner provides adequate explanation for the time elapsed between the filings of multiple petitions directed to the same claims of the same patent.
- The finite resources of the Board.
- The requirement under [35 U.S.C. §316\(a\)\(11\)](#) to issue a final determination not later than 1 year after the date on which the Director notices institution of review.

The PTAB explained that this is a “non-exhaustive list of factors” that the Board considers “in evaluating follow-on petitions.” These factors are intended “to take undue inequities and prejudices to Patent Owner into account.”

Valve Decisions

The PTAB broadened the applicability of the *General Plastic* factors in May 2019, when it designated as precedential the decision in *Valve Corp. v. Elec. Scripting Prods., Inc.*, [Case IPR2019-00062](#), -00063, -00084 (PTAB Apr. 2, 2019) (Paper 11). In this decision, the PTAB explained that the Board's application of the *General Plastic* factors “is not limited solely to instances when multiple petitions are filed by the same petitioner.” As part of its weighing of the *General Plastic* factors, the Board will consider “any relationship between” different petitioners challenging the same patent. Importantly, under *Valve*, the Board may apply the *General Plastic* factors to deny institution, even if the petitioner has never previously challenged the patent.

In Aug. 2019, the PTAB designated as precedential another *Valve Corp. v. Elec. Scripting Prods., Inc.* decision. [Case IPR2019-00064](#), -00065, -00085, Paper 10 (May 1, 2019). Here, the PTAB applied the first *General Plastic* factor—“whether the same petitioner previously filed a petition directed to the same claims of the same patent”—to deny institution of a later-filed petition by a petitioner who had joined an ongoing IPR proceeding as a petitioner, even though that petitioner had not originally filed the earlier petition. As in the other *Valve* decision, the PTAB considered the relationship between the different petitioners challenging the same patent while weighing the *General Plastic* factors.

Prior Art

In addition to factors related to the parties themselves, the PTAB takes into account whether “the same or substantially the same prior art or arguments previously were presented to the Office.” ([35 U.S.C. 325\(d\)](#)). In Aug. 2019, the PTAB designated as precedential its decision in *Becton, Dickinson & Co. v. B. Braun Melsungen AG*, [Case IPR2017-01586](#), Paper 8 (Dec. 15, 2017). There, the PTAB weighed factors related to the art and arguments, including:

- The similarities and material differences between the asserted art and the prior art involved during examination.
- The cumulative nature of the asserted art and the prior art evaluated during examination.
- The extent to which the asserted art was evaluated during examination, including whether the prior art was the basis for rejection.
- The extent of the overlap between the arguments made during examination and the manner in which Petitioner relies on the prior art or Patent Owner distinguishes the prior art.

- Whether Petitioner has pointed out sufficiently how the Examiner erred in its evaluation of the asserted prior art.
- The extent to which additional evidence and facts presented in the Petition warrant reconsideration of the prior art or arguments.

The PTAB explained that where a petition presents “only a nominally different combination of prior art and . . . the same arguments as were meritoriously overcome by the Applicant during prosecution . . . exercising [its] discretion under 325(d) . . . is appropriate.”

The PTAB's precedential decision in *NHK Spring Co., Ltd. v. Intri-Plex Techs., Inc.* is related. [Case IPR2018-00752](#) (PTAB Sept. 12, 2018) (Paper 8). In *NHK*, the PTAB denied institution under [35 U.S.C. §325\(d\)](#) after applying the *Becton, Dickinson* factors and under [35 U.S.C. §314\(a\)](#) after determining that instituting review would be an inefficient use of Board resources where the district court proceeding was nearing final stages and the Board proceeding would involve the same claim construction standard, the same prior art references, and the same arguments as in the district court.

New 2019 Trial Practice Guidance

In addition to its precedential decisions, the PTAB has also issued guidance regarding multiple petitions challenging the same patent in the [Trial Practice Guide July 2019 Update](#). It notes that “[b]ased on the Board's prior experience, one petition should be sufficient to challenge the claims of a patent in most situations. Two or more petitions filed against the same patent at or about the same time (e.g., before the first preliminary response by the patent owner) may place a substantial and unnecessary burden on the Board and the patent owner and could raise fairness, timing, and efficiency concerns. (See [35 U.S.C. §316\(b\)](#)). In addition, multiple petitions by a petitioner are not necessary in the vast majority of cases.”

To help the PTAB determine “whether more than one petition is necessary,” the July 2019 Update explains that the petitioner should identify:

- A ranking of the petitions in the order in which it wishes the Board to consider the merits, if the Board uses its discretion to institute any of the petitions.
- A succinct explanation of the differences between the petitions, why the issues addressed by the differences are material, and why the Board should exercise its discretion to institute additional petitions if it identifies one petition that satisfies petitioner's burden under [35 U.S.C. §314\(a\)](#).

Notably, under the new guidance, a petitioner should strongly consider whether it can limit its arguments to one or two petitions, since the Board indicated that it is “unlikely that circumstances will arise where three or more petitions by a petitioner with respect to a particular patent will be appropriate.” See also [35 U.S.C. §315\(d\)](#) (the Director may determine how to proceed when multiple proceedings are before the Office). To the extent that a petitioner requires three or more petitions, it should have clear justification for why such petitions are necessary.

Practice Tips

Because of the PTAB's limits on instituting multiple IPR proceedings on the same patent, there are tradeoffs to consider when determining strategy for preparing and filing post-grant patent challenges.

Coordinating with Other Potential Petitioners

As discussed above, under *Valve*, a petition against a previously challenged patent might be rejected even if the petitioner has never filed a petition against that patent before. Therefore, if multiple parties are in a situation where all would be interested in challenging a patent, it may be in the interest of all to consider coordinating on post-grant challenge timing, strategy, and prior art. Coordinating can help reduce redundant petitions, inconsistent petitions, and serial petitions. On the other hand, coordinating could increase the likelihood of estoppel applying more broadly if coordination results in parties being viewed as real-parties-in-interest or privies.

Whether and How to File Multiple Petitions

The PTAB has at times been critical of petitioners that file serial petitions, as evidenced by the *General Plastic* factors. The challenge for petitioners, of course, is that some patents involve complicated technology, have many claims, have wordy claims, or are vulnerable to challenge by multiple combinations of references, and thus it may be difficult to prepare one or two petitions within the PTAB's word limits. But under the new guidance, a petitioner should have a strong justification for filing more than two petitions. And if a petitioner believes that more than one petition is necessary, it should consider filing all challenges on the same day, so petitions are viewed as parallel petitions instead of serial petitions. If filing multiple petitions on different days is unavoidable, success is more likely if a petitioner files in close succession (i.e., within a few days), rather than over a period of months; some of the PTAB's factors examine time between petitions, and parallel petitions can avoid this problem. Serial petitions are particularly unlikely to be granted if they are filed after institution is denied on a first petition, since the PTAB views a follow-on petition by the same petitioner as unfairly benefiting from what is written in the institution decision for the first petition.

Conclusion

The PTAB has articulated multiple factors for exercising its discretion to deny multiple petitions challenging a single patent, and its focus on so-called serial petitions has increased as its docket has become fuller. In view of recent designations of precedential decisions and changes to the PTAB Trial Practice Guide, PTAB practitioners should give close consideration to the PTAB's factors before filing a second, third, or further petition on a patent that has previously been challenged.

In the next article in this two-part series, we will discuss what the future may hold for multiple filings challenging the same patent, in IPR, post-grant proceedings, and ex parte reexamination, at the Patent Office. Congress is considering potential legislative changes, and the PTAB continues to designate informative or precedential decisions and to release updates to the PTAB Trial Practice Guide. We will consider how the interests of both patent owners and petitioners may be addressed as the PTAB exercises its discretion to consider or decline to institute petitions challenging the validity of patents.