

The Proposed Rules for Post-Grant Procedures

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Webinar Guidelines

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Agenda

- Proposed New Rules
 - Patent Owner
 - Petitioner
- General Observations
- Proposed Pilot Program



Proposed Rule Changes

- Address observations made by stakeholders
- Share information about aspects of the procedure



Listening Tour

- Nationwide tour April-May, 2014
- June 2014: Request for Comments
 - 10 broad topics
 - 17 questions
 - 1 catch-all topic
- Gather stakeholder feedback



Testimonial Evidence at Preliminary Response

- Change will likely be interesting to patent owner
 - Would allow patent owner to submit
 - Testimonial evidence
 - Declaration evidence
 - Along with Preliminary Response



Testimonial Evidence at Preliminary Response

- Neither petitioner's declarant or patent owner's declarant will be deposed prior to decision on institution
- Petitioner may request Reply
 - No reply as a right
 - Determination based on circumstances
- Board will resolve conflicting evidence in favor of petitioner for Decision on Institution only



Testimonial Evidence at Preliminary Response

- Comments
 - Including testimonial evidence with Preliminary Response has been permitted
 - When the declaration was prepared in another proceeding
 - When deposition testimony was taken in another proceeding
 - What is new is the ability to prepare a declaration specifically for the proceeding
 - Reinforces strategy to engage expert early
 - Should continue to evaluate merits of filing a preliminary response



Real Party in Interest Issues

- Office set forth its view that the issue can be raised throughout proceeding
 - Standing issue according to Office
- Office indicated it recognizes that the issue should be addressed early
 - Balance of fairness and efficiency important
- Office will consider patent owner delay in raising as one of the considerations in granting additional discovery



Real Party in Interest Issues

- Office stated that it will be amending the Trial Practice Guide regarding Real Party in Interest
- Office believes it is precluded by statute from allowing correction of Real Party in Interest except in case of clerical error
- Comments
 - Pursue inquiry into the issue early
 - Consider alternative forums for obtaining relevant evidence



Change from Page Count to Word Count

- Proposed for petition, patent owner responses and Reply
- Applies to both petitioner and patent owner
- Would allow additional figures to assist in explanation
- Would make use of claim charts more flexible



Change from Page Count to Word Count

- Petition
 - IPR: 14,000 words
 - CBM: 18,700 words
- Patent Owner Response
 - Same as petition
- Reply
 - 5,600 words

37 C.F.R. § 42.24 (proposed)



Broadest Reasonable Interpretation

- Retains Broadest Reasonable Interpretation (BRI) standard
 - The Office believes the Federal Circuit authorized the PTO to maintain BRI for unexpired patents in *In re Cuozzo Speed Techs., LLC*, No. 2014-1301, 2015 WL 4097949, at *7-8 (Fed. Cir. July 8, 2015) decision
- Office addresses the issue for expired patents
 - For patents that will expire before issuance of an Final Written Decision, the Office will continue to apply the *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005) standard



Broadest Reasonable Interpretation

- BRI will continue to be the subject of debate
- Change to the standard will likely not come by way of PTO
- Continue evaluating issues under both standards



Motions to Amend

- The Office will maintain the practice as outlined in *Idle Free Systems*, Case IPR2012-00027 (PTAB July 11, 2013) Paper 26 (informative)
- Clarified in *MasterImage 3D v. RealD, Inc.*, Case IPR2015-00040, slip op. at 1-3 (PTAB July 15, 2015) Paper 42
- There will likely be additional clarifications over time
- It does not appear that the existing amendment practice is something that the Office will be likely to change substantially in the near future



Additional Discovery

- Office will continue to apply five factors from *Garmin v. Cuozzo*, IPR2012-00001:
 - More than a possibility and mere allegation
 - Litigation positions and underlying basis
 - Ability to generate equivalent information by other means
 - Easily understandable instructions
 - Requests not overly burdensome to answer
- Fifth factor will also consider burden to the schedule of the proceeding



Additional Discovery

- Guidance
 - Try to reach agreement with the other side
 - Make requests narrow
 - Consider *Garmin* factors before making request



Obviousness

- Factors from *Garmin v. Cuozzo*, IPR2012-00001 (Mar. 5, 2013) will continue to apply
- A “conclusive” showing of nexus between the claimed invention and the information being sought is not required for discovery
 - But some showing of nexus is mandatory
- Office declined to adopt a mandatory rule regarding discovery on secondary considerations issues, but will entertain need for such discovery on a case-by-case basis



Multiple Proceedings

- Office finds that no revision to the rules for managing multiple proceedings that involve the same patent claims is necessary at this time
 - Will continue to be a case-by-case determination
- Office has discretion to manage multiple proceedings by tailoring the solution to the unique circumstances of each case
- Office declined to enumerate the factors that it will consider in deciding whether to stay, transfer, consolidate, or terminate an additional proceeding



Oral Hearing

- Oral testimony will not be norm
- Permitted when circumstances warrant
- Notice of oral hearing content
- Additional guidance in future

Institution on Some But Not All Claims

- Commenters expressed concern that petitioners have no redress for grounds on which the PTO chooses not to institute
 - Decision on Institution is not appealable
 - Grounds denied at Decision on Institution are not reflected in Final Written Decision
- Board will continue to use partial institution
- Question remains regarding status of grounds denied as redundant



Pilot Program

- Notice published August 25, 2015 seeks input on a proposed pilot program
 - To assess whether the efficiency of the Office can be improved
 - By assigning a single APJ to make the determination whether to institute trial
- The purpose of the proposed pilot program is to assess whether a pilot program should be conducted



Pilot Program

- The current procedure
 - Have three APJs make the determination of whether to institute trial
 - At least three judges, typically the same three APJs, continue through the trial and author the Final Written Decision
- The patent statute mandates that at least three APJs author the final written decision but does not mandate that the other determinations be made by three APJs, See 35 U.S.C. § 6c
 - Pilot program
 - Practitioners would not be able to request to be a part of the pilot program
 - Only *inter partes* review proceedings would be included
- Deadline for Comments October 26, 2015



Questions?

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