

The Proposed Rules for Post-Grant Procedures

September 2, 2015

Attorney Advertising

WILMERHALE® 

WILMER CUTLER PICKERING HALE AND DORR LLP®



Speakers



David L. Cavanaugh
Partner and Chair,
Post-Grant Patent
Proceedings Group
WilmerHale



Gregory H. Lantier
Partner
Intellectual Property Litigation
WilmerHale



Webinar Guidelines

- Participants are in listen-only mode
- Submit questions via the Q&A box on the bottom right panel
- Questions will be answered as time permits
- Offering 1.0 CLE credit in California and New York*
- WebEx customer support: +1 888 447 1119, press 2

**WilmerHale has been accredited by the New York State and California State Continuing Legal Education Boards as a provider of continuing legal education. This program is being planned with the intention to offer CLE credit in California and non-transitional CLE credit in New York. This program, therefore, is not approved for New York newly admitted attorneys. WilmerHale is not an accredited provider of Virginia CLE, but we will apply for Virginia CLE credit if requested. The type and amount of credit awarded will be determined solely by the Virginia CLE Board. Please note that no partial credit will be awarded. Attendees requesting CLE credit must attend the entire program.*



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?

David L. Cavanaugh

Partner and Chair, Post-Grant Patent
Proceedings Group

+1 202 663 6025

david.cavanaugh@wilmerhale.com

Gregory H. Lantier

Partner

Intellectual Property Litigation

+1 202 663 6327

gregory.lantier@wilmerhale.com

**WilmerHale has been accredited by the New York State and California State Continuing Legal Education Boards as a provider of continuing legal education. This program is being planned with the intention to offer CLE credit in California and non-transitional CLE credit in New York. This program, therefore, is not approved for New York newly admitted attorneys. WilmerHale is not an accredited provider of Virginia CLE, but we will apply for Virginia CLE credit if requested. The type and amount of credit awarded will be determined solely by the Virginia CLE Board. Please note that no partial credit will be awarded. Attendees requesting CLE credit must attend the entire program.*



Wilmer Cutler Pickering Hale and Dorr LLP is a Delaware limited liability partnership. WilmerHale principal law offices: 60 State Street, Boston, Massachusetts 02109, +1 617 526 6000; 1875 Pennsylvania Avenue, NW, Washington, DC 20006, +1 202 663 6000. Our United Kingdom offices are operated under a separate Delaware limited liability partnership of solicitors and registered foreign lawyers authorized and regulated by the Solicitors Regulation Authority (SRA No. 287488). Our professional rules can be found at www.sra.org.uk/solicitors/code-of-conduct.page. A list of partners and their professional qualifications is available for inspection at our UK offices. In Beijing, we are registered to operate as a Foreign Law Firm Representative Office. This material is for general informational purposes only and does not represent our advice as to any particular set of facts; nor does it represent any undertaking to keep recipients advised of all legal developments. Prior results do not guarantee a similar outcome. © 2015 Wilmer Cutler Pickering Hale and Dorr LLP