

# Appeals from Post-Grant Proceedings

October 29, 2014





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## Presenters



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## Introduction

- Early and wide adoption of AIA PGPs
- Appeals to the Federal Circuit from the PTAB
  - Influx of appeals (81 IPR appeals and 13 CBMs)
  - Federal Circuit case management
- More to come as cases are decided



## Appeals from the PTAB

- Appeals from PTO proceedings are not new
  - Ex parte examination
  - *Inter partes* reexamination
  - Interferences
- There is developed law on how the Federal Circuit should handle PTO agency appeals
- Provides an early indication of where Federal Circuit should be on issues
- Not going to be forgotten in AIA PGPs appeals



## *Inter Partes Review*

- IPR is intended to be quicker, more efficient, and less expensive than litigation for patent challenges:
  - Faster to decide:
    - Initial determination of specific grounds within 6 months from date of filing
    - Final decision within 12 months after institution (up to 18 for good cause)
  - Faster to appeal:
    - The PTAB adjudicates validity
    - Just one stop at the PTAB before appeal to Federal Circuit



## Estoppel for IPRs

- 35 USC § 315(e)
  - 1) Proceedings before the Office.—The petitioner in an *inter partes* review of a claim in a patent under this chapter that results in a final written decision under section 318(a), or the real party in interest or privy of the petitioner, may not request or maintain a proceeding before the Office with respect to that claim on any ground that the petitioner raised or reasonably could have raised during that *inter partes* review.
  - 2) Civil actions and other proceedings.—The petitioner in an *inter partes* review of a claim in a patent under this chapter that results in a final written decision under section 318(a), or the real party in interest or privy of the petitioner, may not assert either in a civil action arising in whole or in part under section 1338 of title 28 or in a proceeding before the International Trade Commission under section 337 of the Tariff Act of 1930 that the claim is invalid on any ground that the petitioner raised or reasonably could have raised during that *inter partes* review.
- Estoppel can apply to patent holder as well as petitioner (See 37 C.F.R. § 42.73(d)(3))

## Estoppel for IPRs

- When does estoppel apply—
  - At final written decision, per 35 USC § 315(e) legislative history and PTO comments (*Target Corp. v. Destination Maternity*, *Matal guide to AIA legislative history*)
  - After all appeals through (*A.C. Dispensing Equipment v. Prince Castle*)



## PGP Appellate Strategy Considerations

- Procedural issues
  - Request for rehearing “does not toll times for taking action.” (§ 42.71 (d))
  - Request for rehearing will “reset the time for appeal or civil action...” (§ 90.3(b)(1))
- Parallel proceedings and possibility of both district court and PTAB appeals reaching Federal Circuit; if invalidated finally, then one will trump the other (*Fresenius*)

## PGP Appellate Strategy Considerations

- Intervening changes in law
- Federal Circuit limited to what's in the record
  - Ensure *all* arguments are made on the record and that important documents are included
    - E.g. deposition transcripts won't come into the record unless filed as an exhibit
  - Clearly preserve any objection to evidence, and file a motion to exclude that evidence from the record



## Claim Construction

- Claim construction issues are reviewed *de novo* on appeal (for now, see *Teva*), but only those actually presented as claim construction issues qualify
- If developments indicate a need for construction of a term not discussed at the institution (or clarification of an earlier construction), raise the issue in either the patent owner's response or the petitioner's reply

## Special Filing Procedure for IPR Appeal

- File Notice of Appeal with Director of the PTO and a copy with the PTAB (§ 90.2(a)(1)), a service copy with the other party, and 3 copies with the Federal Circuit (FRAP 15)
- The party initiating the appeal must comply with the FRAP (§ 90.2(a)(2))
- 63 days from final PTAB decision (§ 90.3(a)(1)), but no need to wait the entire 63 days—file early

## Special Filing Procedure for IPR Appeal

- The PTAB has 40 days from receiving the notice to review and create the certified list of documents for Federal Circuit (Federal Circuit Rule 17(b)(1))
- The Director of the PTAB has the right to intervene (§ 90.2(a)(3)(ii)) and has done so 15 times of the 81 IPR appeals



## PTAB Director Right to Intervene

- The PTAB has so far shown itself to be very active in exercising its right to intervene
- Has not intervened in fairly straightforward claim construction disputes



## IPR Appeals to Date

- There have been nearly a hundred PGP appeals to date
  - 81 IPR Appeals
    - 61 pending
    - 7 IPR Writs
  - 13 CBMs
    - 1 CBM Writ
  - More docketed daily
- More than a dozen opening briefs filed in IPRs



## Federal Circuit Review of AIA PGPs

- Already have a few data points
- Review of the “One Year Rule” created by 35 U.S.C. § 315(b), statutory bar to IPR institution if petition filed more than 1 year after Petitioner is served with a complaint alleging infringement (*Macauto, Universal Remote Control*)
- Review of appeals from decisions on institution
  - No review of PTAB decision not to institute IPR (*Volcano, In re Dominion Dealer Solutions*)
  - Open question whether decision to institute IPR reviewable after final written decision (*In re the Procter Gamble Company*)





# IPR Case Summaries

Case: 14-1301 Document: 11 Page: 1 Filed: 04/22/2014  
**2014-1301**

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In The  
**United States Court Of Appeals  
For The Federal Circuit**

**CUOZZO SPEED TECHNOLOGIES LLC,**  
*Appellant,*

v.

**GARMIN INTERNATIONAL, INC.;**  
**GARMIN USA, INC.,**  
*Appellees.*

Appeal from the United States Patent and Trademark Office,  
Patent Trial and Appeal Board.

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**BRIEF OF APPELLANT**

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## IPR Case Summaries: *Cuozzo Speed Technologies, LLC, v. Garmin*

- First IPR case filed, first PTAB decision on merits
- Appealed and now been fully briefed, with oral argument set for Nov. 3, 2014
- PTO Intervened
- Issues:
  - Whether the BRI standard applies to IPR, and whether the PTAB erred in its claim construction
  - Whether the PTAB lacked authority to institute IPR for certain claims on grounds not identified in the Petition
  - Whether the PTAB erred in denying motion to amend



## IPR Case Summaries: *Emcore Corporation v. Nichia Corporation*

- PTO Intervened
- Claim construction challenged
- Invalidity for obviousness supported by substantial evidence where prior art reference relied on by PTAB not identified in or submitted with IPR petition, as required by 35 U.S.C. § 312(a)(3)
- Whether it's error for the PTAB to find patent invalid for obviousness without articulating motivation to combine the prior art references



## IPR Case Summaries: *Synopsys, Inc. v. Mentor Graphics Corporation*

- Two consolidated cases
- PTO Intervened
- Anticipation
- Whether the PTAB erred by instituting review but not issuing a final written decision with respect to the patentability of each claim challenged



## IPR Case Summaries: *Microsoft Corporation v. Proxyconn, Inc.*

- Two consolidated cases
- PTO Intervened
- Questioning how the PTAB should use a patent specification and dictionaries in reaching the BRI
- Applying BRI to a claim term



## IPR Case Summaries: *Continental Automotive Systems v. Schrader-Bridgeport*

- PTO Intervened
- Whether the PTAB erred by finding claims obvious when party failed to identify a combination of references
- Whether the PTAB erred by finding claims obvious where party failed to identify PHOSITA
- Whether the PTAB breached authority by instituting IPR proceeding on a new ground of rejection, then substituting its judgment for PHOSITA



## IPR Case Summaries: *Belden Inc. v. Berk-Tek LLC*

- Two consolidated cases
- PTO Intervened
- Obviousness challenge
- Whether the PTAB erred in denying motion to exclude expert declaration and accompanying new exhibits

## IPR Case Summaries: *Belden Inc. v. Berk-Tek LLC*

- Separate patents from last slide
- Two cases
- § 102 and § 103 challenges





## IPR Case Summaries: *SoftView LLC v. Kyocera Corporation*

- Two cases
- PTO Intervened
- Claim construction and obviousness challenges
- Whether the PTAB erred by considering objective indicia only after already concluding that the challenged claims were obvious and by failing to consider uncontested objective indicia
- Whether the PTAB erred in denying motion to exclude concerning new invalidity and claim construction arguments



## IPR Case Summaries: *Clearlamp, LLC v. LKQ Corporation*

- PTO Intervened
- BRI versus *Phillips* standard
- Obviousness challenge
- Whether PTAB decision concerning secondary considerations of copying was clearly erroneous



## IPR Case Summaries: *Luv N' Care Ltd v. Munchkin, Inc.*

- Whether the PTAB final decision should be vacated because it relied on issues not included in its Decision to Institute IPR
- Challenge to filing date of patent application
- Whether PTAB's decision that an application lacked written description was erroneous given burden of proof



## IPR Case Summaries: Claim Construction Challenges

- *Board of Trustees of the University of Illinois v. Micron Technology, Inc.* (3 cases)
- *Zillow, Inc. v. MicroStrategy, Inc.*
- *Corning Incorporated v. DSM IP Assets B.V.* (plus amendment question)



## IPR Case Summaries

- WilmerHale's representation includes:
  - *Trustees of Columbia Univ. v. Illumina, Inc.* (3 cases), Opening Brief filed Sept. 29, 2014
  - *Board of Regents v. St. Jude Medical*, Opening Brief due Nov. 12, 2014
  - *Nike, Inc. v. Adidas AG*, Opening Brief due Dec. 15, 2014



## IPR Case Summaries: *Trustees of Columbia Univ. v. Illumina, Inc.*

- Opening Briefs filed Sept. 29, 2014
- Three cases involving improved method of DNA sequencing
- Issues:
  - PTAB made findings regarding PHOSITA's understanding of prior art without reliance on expert evidence
  - PTAB denied patent owner's motion to amend that would have mooted some grounds for the review



## CBM Case Summary: *Versata Development Group v. SAP America*

- Oral argument for the first CBM appeal will be Dec. 3, 2014
- Parties have settled in original district court suit
- Versata argues its patent does not claim a CBM
- The PTAB's standard for AIA reviews
- Versata challenges whether Congress granted the PTAB power to review CBM patents under § 101



## What to look for in the future

- The PTAB's rulings on discovery
- Amendments
- Claim construction and the BRI standard
- When the PTAB finds grounds are duplicative
- Scope of estoppel after final PTAB decisions
- In what circumstances and how often will the PTO intervene





## Questions?

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