

# A Practical Guide to *Inter Partes* Review

## Strategic Considerations During Post-Merits Briefing



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# Presenters



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# *Inter Partes* Review

## Topics in Today's Webinar

- Evidence and motions to exclude
- Motions for observation
- Hearings



## Motions to Exclude – Overview

- A party wishing to challenge admissibility of evidence must (37 C.F.R. § 42.64):
  - Make a timely objection
  - Preserve the objection by filing a motion to exclude
- Prior authorization of the Board not required
- Timing set in the Scheduling Order
- 15 pages for motions and oppositions; 5 pages for replies (37 C.F.R. § 42.24)



# Motions to Exclude – Requirements

- A motion to exclude must:
  - (a) Identify where in the record the objection originally was made;
  - (b) Identify where in the record the evidence sought to be excluded was relied upon by an opponent;
  - (c) Address objections to exhibits in numerical order; and
  - (d) Explain each objection.



## Motions to Exclude – Rules of Evidence

- Federal rules of evidence apply (37 C.F.R. § 42.62(a))
- All evidence must be filed in the form of an exhibit (37 C.F.R. § 42.63 (a))
- Certification not necessary for public Patent Office records (37 C.F.R. § 42.61(b))



## Motions to Exclude – Objections

- Objections to Deposition Evidence (37 C.F.R. § 42.64(a))
  - Objections must be made during deposition
  - Evidence provided to cure objection must be provided during deposition unless parties stipulate otherwise



## Motions to Exclude – Objections

- Non-Deposition Evidence (37 C.F.R. § 42.64(b))
  - Preliminary proceeding: Objections must be served within 10 business days of institution
  - After institution: objections must be served within 5 business days of service of evidence
  - Objections must identify grounds with sufficient particularity to correct with supplemental evidence
  - Supplemental evidence must be served within 10 business days of service of objection



## Trends for Motions to Exclude

- The Board generally rejects motions to exclude
- Out of approximately 153 motions to exclude, the Board has:
  - Granted 12 motions at least in part
  - Denied 140 motions
  - Ordered additional briefing on 1 motion



## Trends for Motions to Exclude

- Breakdown for 12 motions granted at least in part
  - Physical demonstrative excluded in 6 related cases as new evidence
  - Part/all of Reply/Rebuttal declarations excluded in 3 cases for raising new arguments
  - Documents excluded as hearsay in 2 related cases
  - Portion of one paragraph of expert declaration excluded for failure to properly file/produce supporting documents in 1 case



## Trends for Motions to Exclude

- The Board is hesitant to exclude evidence, but it is more likely to do so based on:
  - Untimely submission of new evidence/arguments
  - Evidence with clear deficiencies, such as inadmissible hearsay or a failure to file/produce supporting documents for an expert declaration



## Strategic Considerations for Motions to Exclude

- Motions to exclude can be used effectively even if they are denied
- Consider using motions to exclude to highlight deficiencies or weaknesses in evidence



# Strategic Considerations for Motions to Exclude

- Be selective with motions to exclude
  - Broad objections can detract from most important motions and risk sanctions. *E.g.*, IPR2013-00082 to 87, June 19, 2013 Order (threatening sanctions for broad objections that result in unnecessary delay and cost)
  - Consider both risk of waiving objections and risk that a successful motion could create an appealable issue



## Motions for Observation – Overview

- Authorized by Board to allow a party to identify relevant cross examination testimony after last substantive paper filed, e.g.
  - Patent Owner’s cross-exam of Petitioner’s reply witness
  - For motions to amend, Petitioner’s cross-exam of Patent Owner’s reply witness
- Governed by guidance in Office Trial Practice Guide, 77 Fed. Reg. 48756 (Aug. 14, 2012), rather than rules for motions



## Motions for Observation – Format

- Each observation should be in the following form:
  - In exhibit \_\_\_, on page \_\_\_, lines \_\_\_, the witness testified \_\_\_. This testimony is relevant to the \_\_\_ on page \_\_\_ of \_\_\_. The testimony is relevant because \_\_\_.
- Board may refuse entry of excessively long or argumentative observations



## Motions for Observation – Format

- *E.g.*, in IPR2012-00027, Paper 46, the Board provided the following guidance:
  - Observation must be a concise statement of relevance of precisely identified testimony to precisely identified argument or portion of exhibit
  - Cannot raise new issues, re-argue issues, or to pursue objections
  - Testimony should be reproduced rather than merely referenced by page and line number
  - Board may limit length, e.g., to 10 pages



# Responding to Motions for Observation

- Opposing party may file a response to an observation
- Opposing party may not file observations without express prior authorization
- Response should be equally concise, *e.g.*:

## **Response to Observation #**

Petitioners respond that the cited testimony is not relevant to this proceeding. In Ex. \_\_\_, on pages \_\_\_, lines \_\_\_ (cited in the observation), Dr. \_\_\_ testified \_\_\_. The cited testimony is not relevant because \_\_\_.



## Strategic Considerations for Motions for Observation

- Use motions for observation to concisely identify most important admissions from cross of a reply witness
- Board will consider observations or a lack thereof in weighing witness credibility
  - *E.g.*, IPR2013-00048, Final Written Decision, Paper 94 at 56 (“We find Dr. Sogah’s explanation more persuasive. First, after Corning submitted Dr. Sogah’s declaration rebutting Dr. Bowman’s opinion, DSM cross-examined Dr. Sogah extensively, but did not call our attention to any of his deposition testimony in its Motion for Observations”) (internal citations omitted)



# Hearings – Overview

- File Request for Oral Argument
  - Deadline set by Board in the scheduling order
  - Typically around the same time as the Motions to Exclude
- Board will issue an Order for the Trial Hearing a few weeks prior to the hearing
  - Date and time of hearing
  - Total argument time for each party
  - Information about demonstratives
- Receive a transcript of the proceeding within a few weeks after hearing



# Hearings – Overview

- Open to the public
- Madison Building, 9<sup>th</sup> floor
- Room Configuration:
  - APJs are seated on a raised bench
  - Petitioner’s counsel sits to the right when facing the APJs, and Patent Owner’s counsel sits to the left
  - Podium in the center with a small table for the projector
  - Remote APJs “attend” via videoconference on a TV positioned next to the bench



## Hearings – Overview

- Expected that lead counsel will attend the hearing
  - Must initiate a joint teleconference with Board if lead counsel will not be at the hearing
- Coordinate audio-visual equipment to display demonstratives
  - In Order for the Trial Hearing ([Trials@uspto.gov](mailto:Trials@uspto.gov))
  - Board will provide upon request: screen, projector, power strip, VGA cable
- Plan to bring:
  - Computer, USB adaptor for VGA cable (if needed), mouse, pointer, power cord, a method for accessing the presentation
  - 5 color copies of the demonstratives (3 APJs, court reporter, other side)



# Hearings – Overview

- Hearings are generally 1.5 to 4 hours
  - 45 min. to 1 hour per side for 1 patent; 1.5 to 2 hours per side for multiple patents
  - Petitioner should generally reserve time for rebuttal
  - Petitioner presents, then Patent Owner, and then Petitioner presents a rebuttal (if any)
- Evidence (exhibits and testimony) already in the record
  - May file a motion requesting live testimony from an expert or fact witness (77 Fed. Reg. 48768) but generally not necessary
- Parties can choose what to cover, but Board usually active



## Hearings – Rules

- Oral argument must be requested (37 C.F.R. § 42.70(a))
- Demonstrative exhibits (37 C.F.R. § 42.70(b)) must
  - Be served at least five business days before the oral argument
  - Be filed no later than the time of the oral argument
- No new evidence or arguments may be presented at oral arguments

## Strategic Considerations – Choosing Demonstratives

- Consider using cropped evidence (e.g., lines from deposition transcript, view of patent, etc.) as demonstratives
  - More complicated demonstratives risk being seen as new arguments
- Number each slide for easy reference during argument
- Typically cannot use a physical demonstrative (e.g., product sample) unless it is of record in the proceeding



## Strategic Considerations – Choosing Demonstratives

- Plan to make arguments orally and use the slides to highlight important evidence
- Don't underestimate importance of effective use of demonstratives
  - See, e.g., IPR2013-00084, Final Written Decision, Paper 64 at 21 (including Petitioner's demonstrative in final written decision)

# Strategic Considerations – Choosing Demonstratives

- For Petitioner:
  - Point to evidence to support unpatentability
  - Stick with theme and a few main points
- For Patent Owners:
  - Discuss any amendments
  - Point to secondary considerations evidence
  - Identify any deficiencies in the prior art
  - Focus on key arguments



## Strategic Considerations – Avoiding New Evidence/Argument

- No new evidence/arguments strictly enforced with respect to demonstratives
  - Board may exclude all of a party’s demonstratives rather than reviewing on a demonstrative-by-demonstrative basis
- Be prepared to identify where evidence and arguments appear in the record
  - *E.g., CBS Interactive Inc. v. Helferich Patent Licensing, LLC*, IPR2013-00033, Paper 118 at 4 (Oct. 23, 2013) (noting burden is on party presenting the slide to be able to point to a sentence or paragraph in a paper of record for support)
  - Consider including record cites on demonstratives



## Strategic Considerations – Avoiding New Evidence/Argument

- Consider including potential demonstratives in the Expert declarations so they are in the record before the hearing
  - Reduces the risk demonstratives will be excluded for presenting new evidence/arguments
  - Requires planning ahead and potentially completing demonstratives before filing the Petition, rather than on the eve of the hearing



## Strategic Considerations – When to Use Demonstratives

- As Petitioner, consider using demonstratives during opening argument, but not during rebuttal argument
- Rebuttal demonstratives can make it easier for Patent Owner to anticipate what arguments Petitioner plans to make during rebuttal



# Questions?

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