

A Practical Guide to *Inter Partes* Review

Preparing for an *Inter Partes* Review as Petitioner
and as Patent Owner



Presenters



David Cavanaugh
Partner
WilmerHale



Peter Dichiara
Partner
WilmerHale

Inter Partes Review

Topics in Today's Webinar

- Early Steps in Process of Filing
- Petition Preparation
- After Filing Activity

Inter Partes Review – Early Steps in Process of Filing



Inter Partes Review – Early Steps

Now that you have decided to file a petition for an IPR, what next?

- Select the prior art to use
- Select claims to challenge
- Select Declarants
- Consider other issues, e.g., secondary considerations
- Consider PTAB Claim Construction
- Real Party(ies)-in-Interest and Privity issues



Inter Partes Review – Early Steps

Select the Prior Art

- Identify the “best prior art”
 - 35 U.S.C. §§ 102 and 103
 - Consider the reference as a whole - actual text is important
 - PTAB will read the reference
 - Consider what the reference discloses to one of ordinary skill
 - Focus on claim language: will a declarant need to decipher
 - Are there challenges to the status as a “printed publication”
 - Can the prior art be sworn behind?



Inter Partes Review – Early Steps

Select the Prior Art

- How many patents/printed publications?
 - Depends on circumstances
 - For a typical IPR, 3-5 primary references & 5-10 total references
 - Page limitations constrain ability to use a lot of prior art in petition
 - PTAB is pruning number of grounds to ensure efficient proceedings
 - Consider issues of “redundancy”



Inter Partes Review – Early Steps

Evaluate Other Potential Arguments

- Does the printed publication/patent suggest prior public use or on-sale prior art?
 - It would be helpful to gather the information
 - The information cannot be used in the IPR but may be helpful in parallel litigation
- What about secondary considerations in favor of obviousness?
 - Rarely added in IPR declaration filed with Petition
 - Could be used if particularly compelling

Inter Partes Review – Early Steps

Select the Claims

- Decide the claims to challenge in the IPR
 - Depends on circumstances
 - If patent is in litigation – claim(s) asserted
 - Early in litigation – effect on motion to stay
- Consider potential Patent Owner amendment strategies
 - Can the Patent Owner amend the challenged claims to distinguish the prior art easily?
 - PTO is limiting the number of amended claims based on the number of challenged claims in the IPR

Inter Partes Review – Early Steps

Select the Claims

- Can a petitioner add claims in the future?
 - No. May be able to file another petition (presuming less than a year from service)
 - Take care to challenge all the claims you wish to challenge



Inter Partes Review – Early Steps

Select the Declarants

- Do you need a declarant?
 - Almost universally, the answer will be yes
 - Expert can provide testimony concerning the content and the combination of prior art
 - Fact declarant may be helpful to demonstrate publication, other relevant facts
- The PTAB will consider the declarants statements in evaluating the grounds of unpatentability
- Almost all Petitions are supported by an expert declaration



Inter Partes Review – Early Steps

Select the Declarants

- Qualifications are important (credibility)
- Declaration is the direct testimony
- Any declarant must make him/herself available for cross examination in the proceeding
 - Scope of cross examination limited to the testimony in the declaration
 - Consider scope of declaration needed to assert invalidity
- Same expert as in a parallel district court litigation?



Inter Partes Review – Early Steps

Consider PTAB Claim Construction

- PTO uses the broadest reasonable construction standard
- Rules suggest that a statement acknowledging the standard would “normally be sufficient”
- Page constraints limit ability to present proposed constructions for a lot of terms
- Current practice is to require at least some terms to be construed
 - MPF terms require a construction in the petition



Inter Partes Review – Early Steps

Consider PTAB Claim Construction

- Expect PTAB independence
- The Board may not agree with a particular proposed construction (or even a prior court construction) – don't let that sink the grounds of unpatentability
- Present arguments to show the art would invalidate under any “reasonable” construction

Inter Partes Review – Early Steps

Consider Real Parties-in-Interest and Privity

- Rules require that the petition identify real party-in-interest
- Real party in interest and those in privity are barred by estoppel provisions
- Joint defense agreements
 - How much can you share with members of JDA without creating privity?
 - Can you receive prior art under the JDA and use it in your Petition?



Inter Partes Review – Early Steps

Consider Real Parties-in-Interest and Privity

- Central issues for privity are “control” and “financing”
- Estoppel (privity) likely be adjudicated in district court long after IPR concluded
 - Be careful of activity while you prepare the petition and while it is pending

Inter Partes Review – Petition Preparation

Inter Partes Review – Petition Preparation

The Basics

- Formalities
 - Read the rules!
- Declaration
 - Work with declarant on substance of testimony
 - Then prepare the declaration
- Exhibits
 - Numbering and presentation

Inter Partes Review – Petition Preparation

The Petition

- Usually the first 10 pages address the mandatory requirements of the rules
 - Real party in interest, certification that an IPR is permissible, identification of grounds, identification of references
- Important to describe the technology of the challenged patent
 - Identify any relevant areas in file history (not the entire history!)
- Present theme and develop

Inter Partes Review – Petition Preparation

The Petition

- The grounds of unpatentability – how many?
 - Not too many - ten or fifteen on average
- Anticipation and Obviousness – should you include both?
 - Maybe – but identify what the patent owner may identify as missing and why the petition presents the same reference two ways
- Avoid duplicate references
 - References that say essentially the same thing simply take up additional space

Inter Partes Review – Petition Preparation

The Petition

- Claim charts
 - Must present specific indication of where teaching is found in prior art
 - Can be summary cites (or single spaced quotes)
 - Cannot have argument

Inter Partes Review – Petition Preparation

The Petition

- Can use invalidity charts from other litigation
 - Doesn't count toward 60 page limit
 - If you use them, recognize that the objectives of the invalidity claim charts may be different and draft petition accordingly
 - Particularly true for invalidity contentions early in case

Inter Partes Review – Petition Preparation

The Declaration

- Declaration – most petitioners only file one
 - Operates as direct testimony
 - Provide summary of technology relevant to case
 - Include information you may use in rebuttal? (in the right circumstance)
- Give grounding for invalidity positions
 - The reasons why one of ordinary skill would combine references
 - Why combinations would yield predictable results

Inter Partes Review – Petition Preparation

The Exhibits

- Formal Requirements
 - Identified by case and number
 - Pages sequentially numbered
- Maintain updated exhibit list – it is very helpful when adding exhibits in future filings
- Allow time for upload (particularly if there is more than one filing in a day)

Inter Partes Review – After Filing Petition

Inter Partes Review – After Filing

Next Steps from PTO

- Notice of filing date accorded (usually 7-10 days after filing)
- Patent Owner has to file a notice of appearance (21 days after filing)
- Petitioner is largely done for the next six months until the decision on institution



Inter Partes Review – After Filing

After Filing – Patent Owner Preliminary Statement

- Patent Owner preliminary statement (due three months from notice of filing date accorded)
 - Original intent of statement was to provide an opportunity for Patent Owner to identify threshold matters (e.g., Petition is untimely, longer than a year from service of litigation.)
 - Almost every Patent Owner files preliminary statement - Content varies
 - Most often includes arguments on the merits of the grounds



Inter Partes Review – After Filing

After Filing – Patent Owner Preliminary Statement

- Considerations of what should be in preliminary statement
 - Claim construction
 - Take care to preserve validity and infringement positions as much as possible
 - Declarations are not permitted – so no opportunity to rebut declaration of Petitioner with your own expert at this stage
 - Pros and cons of making arguments about the merits of the grounds of unpatentability

Inter Partes Review – After Filing

After Filing – and Before Institution of Proceeding

- Discovery?
 - Not generally permitted
 - If there is an indication that the real party in interest is not named or some other threshold standing issue
 - May be permitted under the “in the interest of justice” standard
- Petitioner response to Patent Owner’s preliminary statement
 - Not provided for in the Rules

Inter Partes Review – After Filing

Decision on Institution

- Up to three months after Patent Owner's preliminary statement
- What to expect:
 - Claim construction
 - Review of grounds of unpatentability
 - Decision granting or denying grounds proposed in the petition
 - They usually cite to the declarant as supporting the decision on institution



Inter Partes Review – After Filing

Decision on Institution

- **Statistics**
 - About a dozen IPRs have been instituted
 - Most often all the claims sought to be reviewed are put into proceeding
 - Some claims are not
 - Sometimes because the reference didn't meet limitation under the PTO construction
 - Often because a limitation was simply missing from the reference (and glossed over in petition)
 - Some grounds denied as redundant or cumulative
 - PTO wants to streamline proceeding
 - Interesting limbo



Inter Partes Review – After Filing

Decision on Institution

- If grounds not granted can you file another IPR
 - If all the grounds not accepted (and you are still within a year from service)
 - Yes – try to get better art
 - If some grounds granted and some denied (and you are still within a year of service)
 - For claims instituted
 - Procedure would be to request rehearing
 - Perhaps motion for supplemental information
 - For claims which are not instituted
 - Perhaps – would want to consider facts of denial and posture of IPR



Inter Partes Review – After Filing

A Word about Joinder

- In prior *inter partes* reexaminations proceedings could be merged
 - Sua sponte by the PTO
 - Very little control by requester
- IPR statute provides for Joinder of IPRs for the same patent
 - Promotes administrative efficiency
 - Encourages a single adjudication of a patent where there may be multiple parties interested in challenging validity
- The PTAB has joined some IPRs



Inter Partes Review – After Filing

A Word about Joinder

- The one year time limit for filing an IPR does not apply to a request for joinder (35 U.S.C. § 315 (c))
- What if a party has filed a second petition outside the one year window with a motion for joinder to join another IPR on the same patent which was filed inside the one year
 - PTO has allowed a joinder in that circumstance
 - PTO sees exception from 1 year rule
- PTAB has other requests for merger pending and will be addressing joinder issues in the future



Questions?

David Cavanaugh

+ 1 617 526 6036

david.cavanaugh@wilmerhale.com

Peter Dichiara

+ 1 617 526 6466

peter.dichiara@wilmerhale.com