

A Practical Guide to *Inter Partes* Review

Strategic Considerations for Filing IPR Petitions



Presenters



Dominic E. Massa
Partner
WilmerHale



Michael A. Diener
Partner
WilmerHale



Inter Partes Review

- Topics in Today's Webinar
 - The significance of the petition
 - Parts of the petition
 - Issues raised in drafting the petition
 - Lessons learned from denials of institution



The Petition

- One of two submissions by petitioner
 - 60 page petition
 - 15 page reply after the response
- Owner permitted to make two lengthy submissions after the petition
 - 60 page preliminary response before institution
 - 60 page response after institution
 - The response will cover a narrower, smaller set of issues than those raised in the petition



Content of Petition (37 C.F.R. § 42.104)

- Grounds for standing
 - Certification that petitioner is not time barred
- Identification of challenge for each claim
 - Whether the assertion is under § 102 or § 103
 - How the challenged claim is to be construed
 - How the construed claim is unpatentable
 - Exhibit numbers of supporting evidence
- Cross-cites requirements of 37 C.F.R. §§ 42.6; 42.8; 42.22; and 42.24



Required Parts of a Petition

- Mandatory Notices (37 C.F.R. § 42.8)
 - Identification of Parties and Counsel
- Content of Petitions and Motions (37 C.F.R. § 42.22)
 - Statement of Precise Relief Requested
 - Full Statement of Reasons for the Relief Requested
- Statement of Material Facts (Optional)



Formatting Issues and Formalities

- 37 C.F.R. § § 42.6 and 42.24
 - Page limit of 60 pages
 - 14 point type
 - Other limits for margins, indented block text, etc.
 - Use of claim charts
 - Modes of filing
 - Exhibits
 - Service



Optional Sections

- Legal background
- Summary of patent
- Summary of prior art references
- Claim charts



Issues and Considerations

- References used
- Claim construction
- Statutory basis – Section 102 or 103
- Expert declaration
- Page limits – multiple filings



References

- Identification of prior art references
- Number of prior art references
- Selecting among available references



Claim Construction

- Broadest Reasonable Interpretation (BRI) applied
- Board might require *some* construction
- Board's constructions to date



Claim Construction

- Can be challenging to decide what construction to propose where infringement litigation is also pending
- Useful to have a clear statement of construction
 - Beneficial to have a clear record of basis for a denial



Statutory Basis

- Must indicate 35 U.S.C. § 102 or § 103
 - Often clear which one is appropriate
- What if a possible § 102 rejection is based on inherent or implicit disclosure?
- Possible to present alternatives and the Board will choose



Expert Declaration

- Highly recommended, especially for inherent or implicit disclosure, or for obviousness issues
- Board might quote from declaration rather than petition for implicit disclosure or obviousness
- Different approaches for preparing a declaration



Page Limits

- Can split petitions by putting different claims in different petitions
- Could split based on different prior art for the same claims



Comprehensively Address Claims

- Address every element of the claims
- Provide support for statements of inherent or implicit disclosure
- Avoid broad conclusory statements as the basis of an argument – e.g., that some feature is just a matter of common sense
- Address reasons for obviousness



Institutions and Denials – Statistics as of July 2, 2014

- 1470 Total IPR filings
- 892 institutions or denials
 - 741 IPR Petitions instituted
 - 151 IPR Petitions denied
 - About 5/6 instituted



Denials – Time Barred

- 35 U.S.C. § 315(a)(1) and 315(a)(3)

- (a) Infringer's Civil Action.—

- (1) *Inter partes* review barred by civil action.— An *inter partes* review may not be instituted if, before the date on which the petition for such a review is filed, the petitioner or real party in interest filed a civil action challenging the validity of a claim of the patent. ...

- (3) **Treatment of counterclaim.**— A counterclaim challenging the validity of a claim of a patent does not constitute a civil action challenging the validity of a claim of a patent for purposes of this subsection.

- 35 U.S.C. § 315(b)

- (b) **Patent Owner's Action.**— An *inter partes* review may not be instituted if the petition requesting the proceeding is filed more than 1 year after the date on which the petitioner, real party in interest, or privy of the petitioner is served with a complaint alleging infringement of the patent. The time limitation set forth in the preceding sentence shall not apply to a request for joinder under subsection (c).



Denials – Time Barred

- Examples of issues
 - Service of an unopposed motion to amend with an attached complaint does not trigger the bar (IPR2014-00360)
 - Barred even though the lawsuit triggering the one year was filed before the AIA was enacted (IPR2014-00236)
 - Arbitration demand is not service of a complaint (IPR2013-00242)
 - Not barred when the complaint was voluntarily dismissed without prejudice (IPR2012-0004)



Denials – Time Barred

- What parties does it cover?
 - 35 U.S.C. 315(a)(1) refers to “the petitioner or real party in interest”
 - 35 U.S.C. 315(b) refers to “filed more than 1 year after the date on which the petitioner, real party in interest, or privy of the petitioner is served with a complaint”
- Example
 - Board determining that an unlisted parent entity was a real party in interest (RPII) for a petition filed by a subsidiary, and that the RPII was time-barred under 35 U.S.C. § 315(b) (IPR2013-00606)



Denials – Conclusory Arguments

- Example #1 – IPR2013-00581
 - Petitioner did not provide “sufficient articulated reasoning with rational underpinning” to support obviousness combination
 - The expert testimony relied on by Petitioner lacks “sufficient rationale, is conclusory, and lacks sufficient factual support.”
 - Copying of paragraph from prior art not sufficient, must be explained



Denials – Conclusory Arguments

- Example #2 – IPR2013-00470
 - Patent at issue claimed priority to foreign application
 - Petitioner argued that reference was prior art because claims not entitled to foreign priority date
 - PTAB did not consider references because Petitioner did not show why the claims were not entitled foreign priority date
 - PTAB also ignored many of petitioners arguments because not substantiated by a reasonable basis



Denials – Grounds Not Precise

- Failure to distinguish § 102 and § 103
 - E.g., IPR2013-00486
 - Petitioner’s “claim chart conflates anticipation and obviousness grounds without providing a clear distinction of how the identified disclosures are applied to the individual grounds.”
 - Petitioner’s “expert ... never directly analyzes the anticipation ground and does not offer sufficient reasoning to support a conclusion of obviousness.”
 - PTAB found the following statement insufficient: “claim 24 is claim 1 recast from method form into apparatus form” and that analysis of claim 1 “applies” to claim 24



Denials – Beyond the Scope

- E.g., IPR2013-00464
 - Petitioner asserted patent claim invalid because it is “identical to or broader than” a claim that the patent owner canceled in a prior reexamination proceeding
 - Board: “Because [Petitioner’s] basis for cancelling claim 1 arises from the reexamination history of a purportedly related claim, rather than a prior art patent or printed publication as permitted under section 311, [Petitioner’s] proposed ground is beyond the scope of an *inter partes* review.”



Questions?

Dominic Massa

Partner

+1 617 526 6386

Dominic.Massa@wilmerhale.com

Michael Diener

Partner

+1 617 526 6454

Michael.Diener@wilmerhale.com