

# Post-Grant for Practitioners: 2018 Year in Review

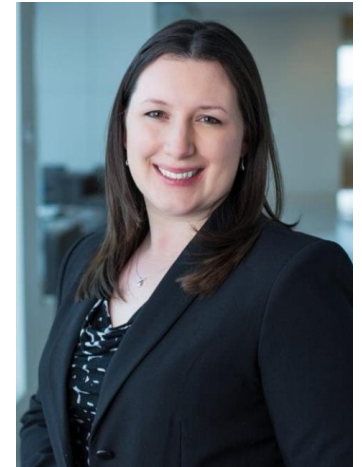
January 26, 2019



**Aamir Kazi**  
*Principal, Atlanta*



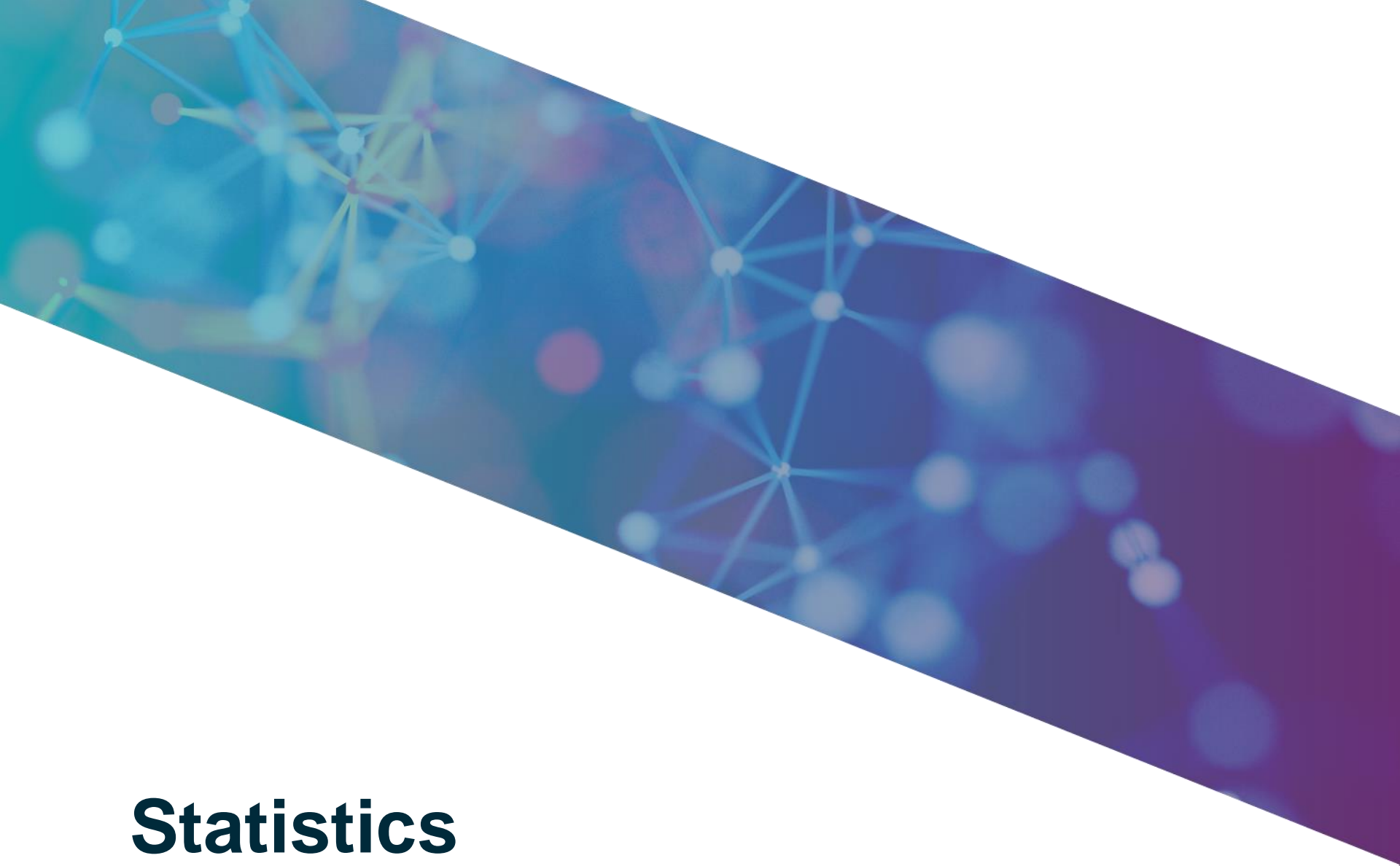
**Brian Boyd**  
*Principal, Atlanta*



**Whitney Reichel**  
*Principal, Boston*

**FISH.**  
FISH & RICHARDSON

- **Statistics**
- ***Oil States***
- **Time Bars**
- **Institution Decisions**
- **Real Party in Interest/Privity**
- **Printed Publications**
- **Rule Changes and Proposed Rule Changes**
- **New PTAB Trial Practice Guide**
- **What To Watch For in 2019**



# Statistics

# PTAB – The Most Active Forum

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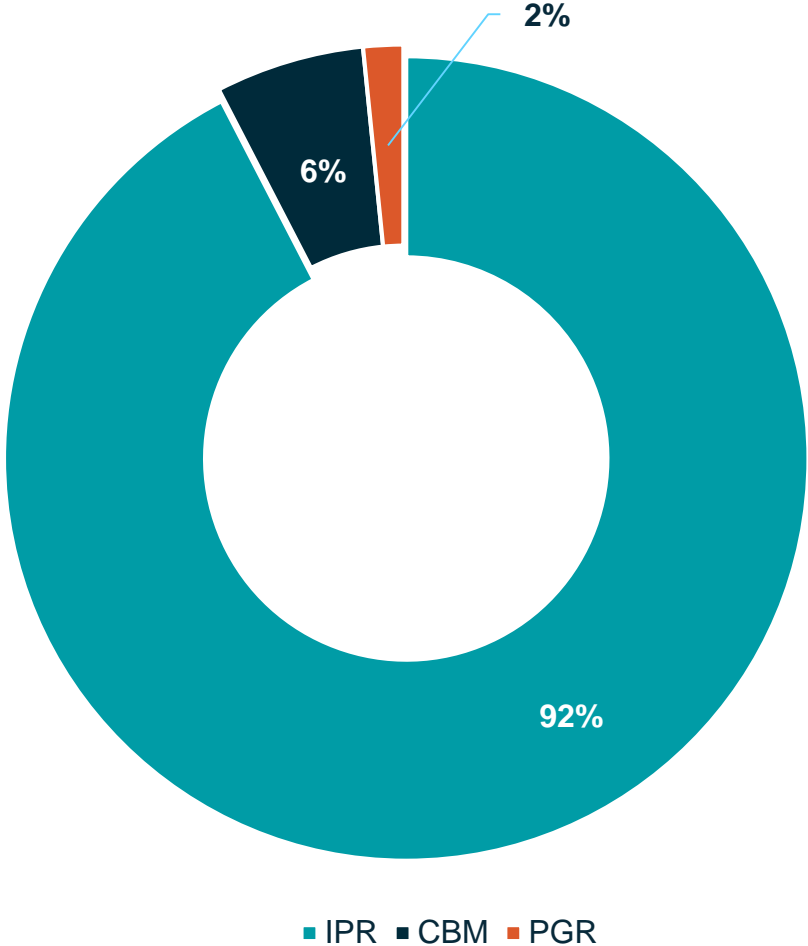
Most active courts by number of cases	2014	2015	2016	2017	2018
<b>PTAB</b>	1677	1798	1758	1799	1718
<b>DED</b>	942	544	457	779	873
<b>TXED</b>	1429	2551	1683	868	508
<b>CACD</b>	320	278	290	339	308

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# AIA Petitions

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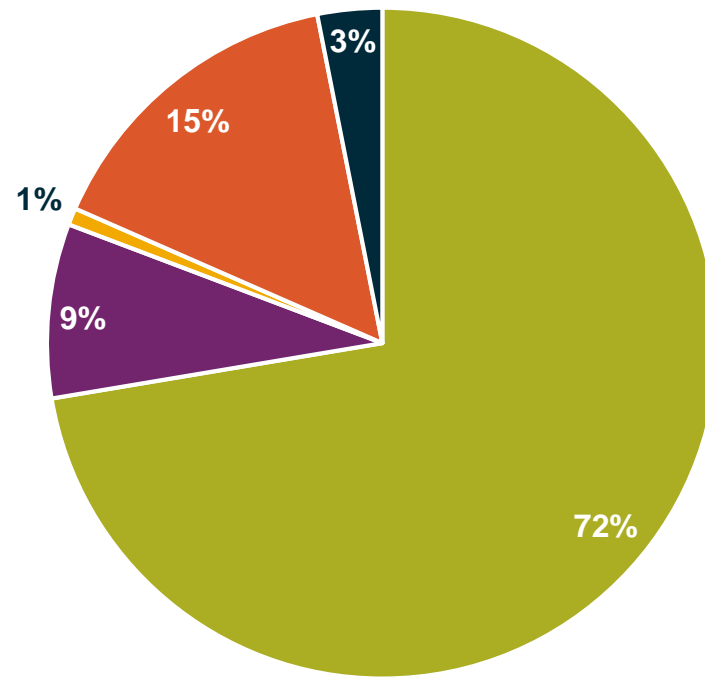
9,683 AIA Petitions Filed Since 2012



# 2018 By the Numbers – IPR Petitions

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1,078 (70%) IPR petitions were instituted in 2018



■ Open Post-Institution  
■ Settled

■ Joined to Other Trial  
■ Patent Owner Disclaimed

■ Procedurally Dismissed

# 2018 By the Numbers – Final Written Decision

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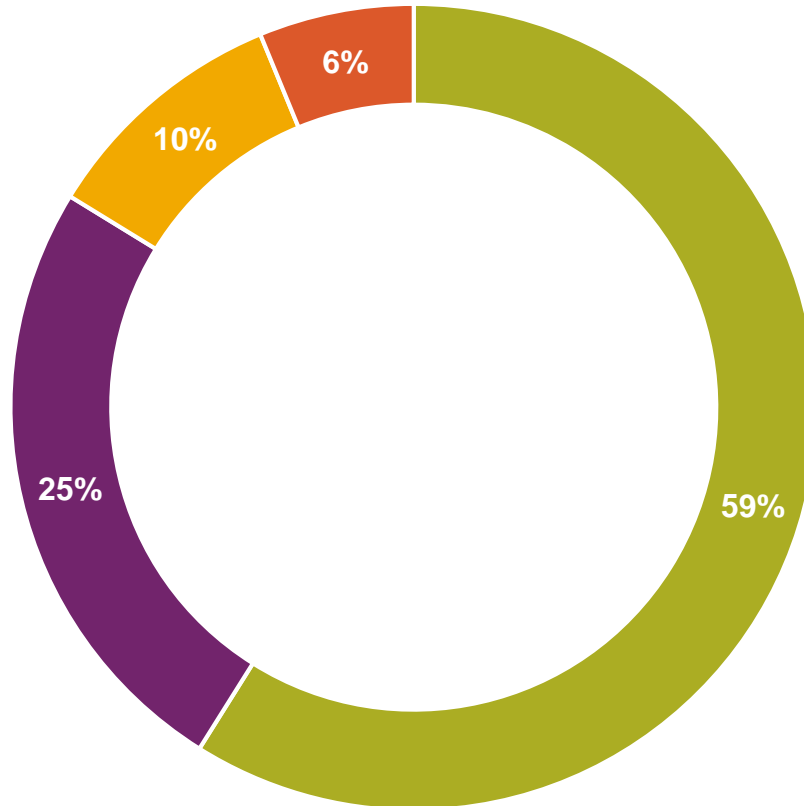
543 IPR petitions reached Final Written Decision in 2018



# Technology Breakdown by USPTO Tech Center

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2012 - Present

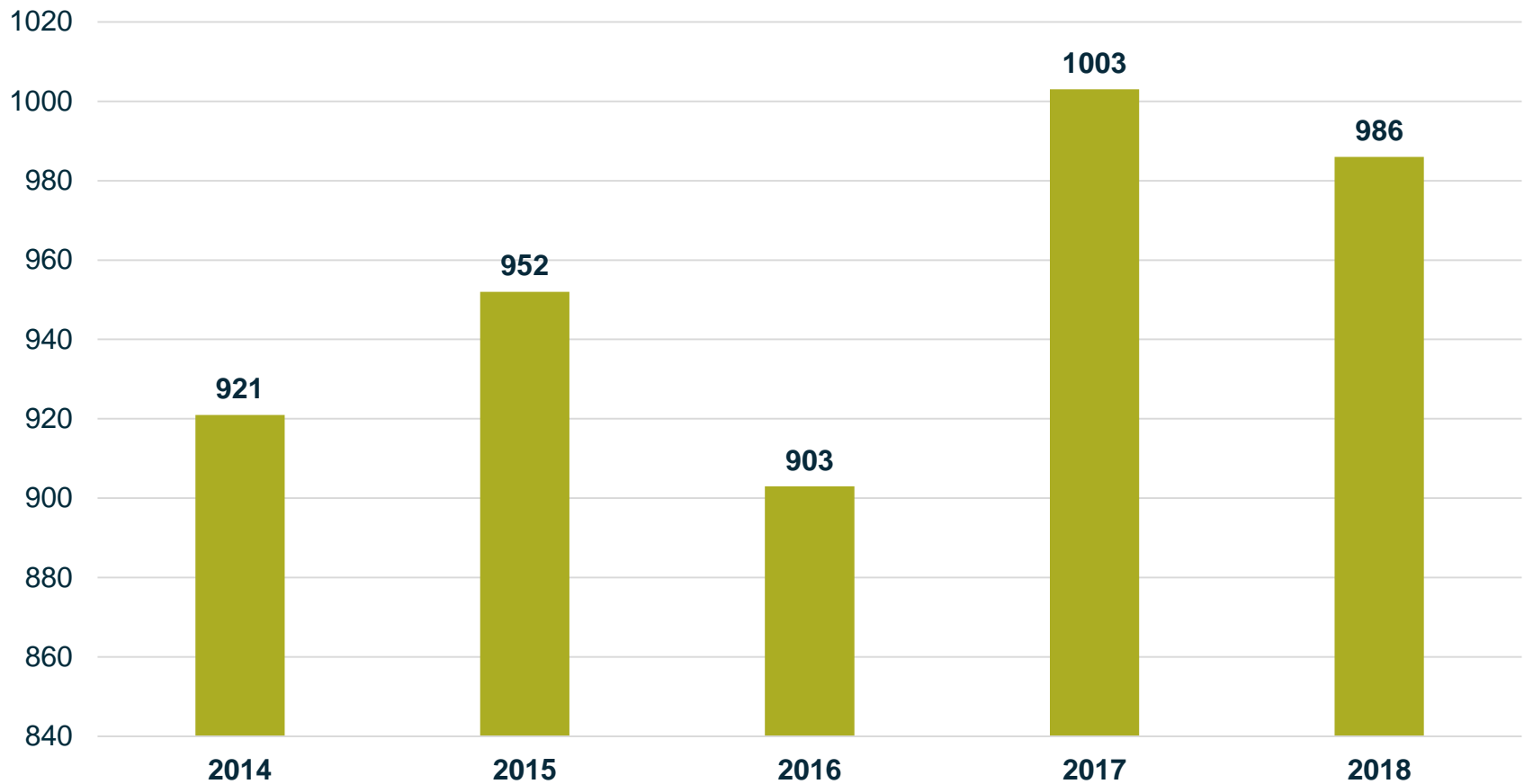


■ Electrical/Computer ■ Mechanical ■ Bio/Pharma ■ Chemical



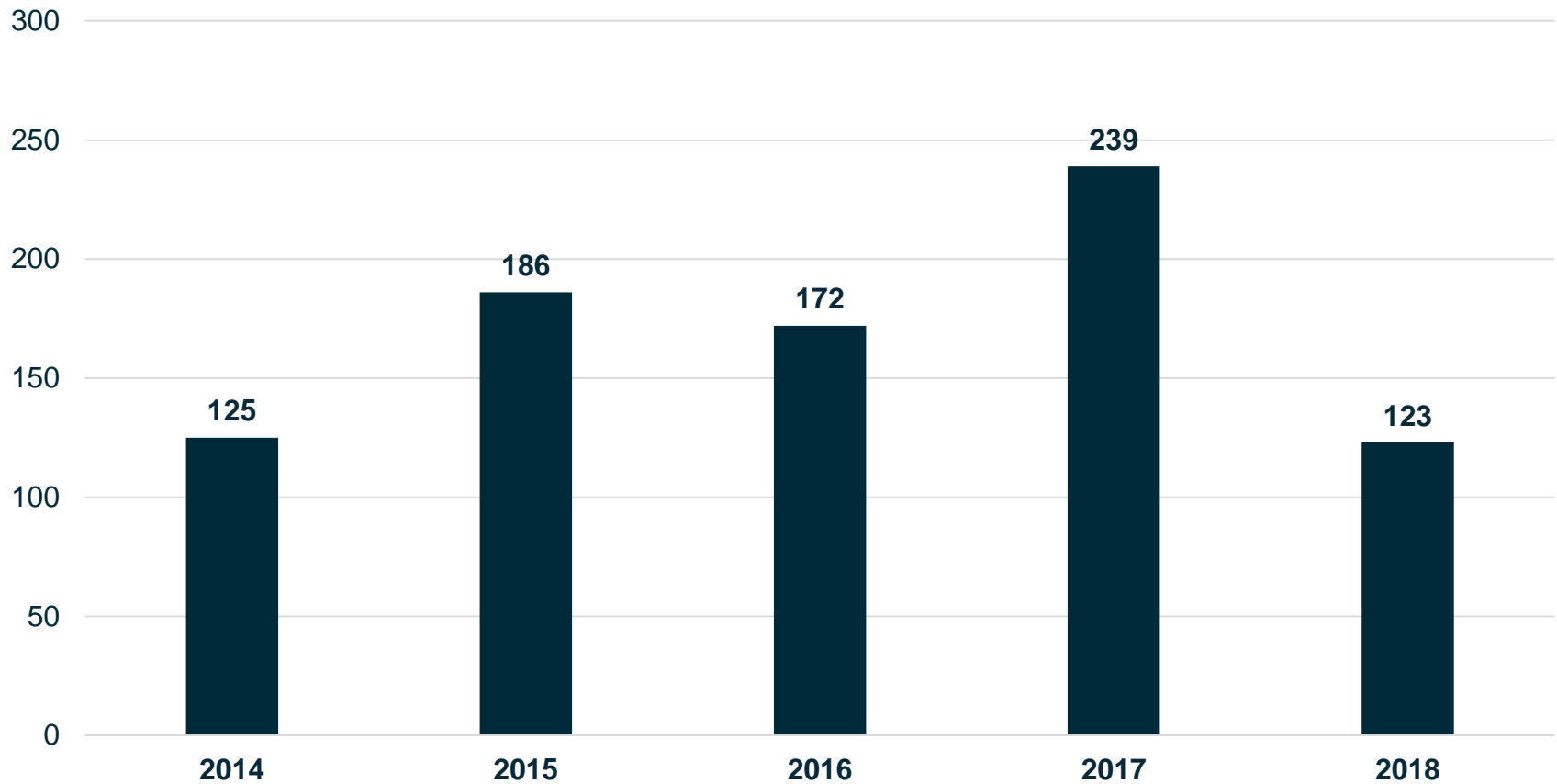
# Electrical/Computer IPR Filings

## IPRs Filed in TCs 2100, 2400, 2600, and 2800 *2012 - Present*



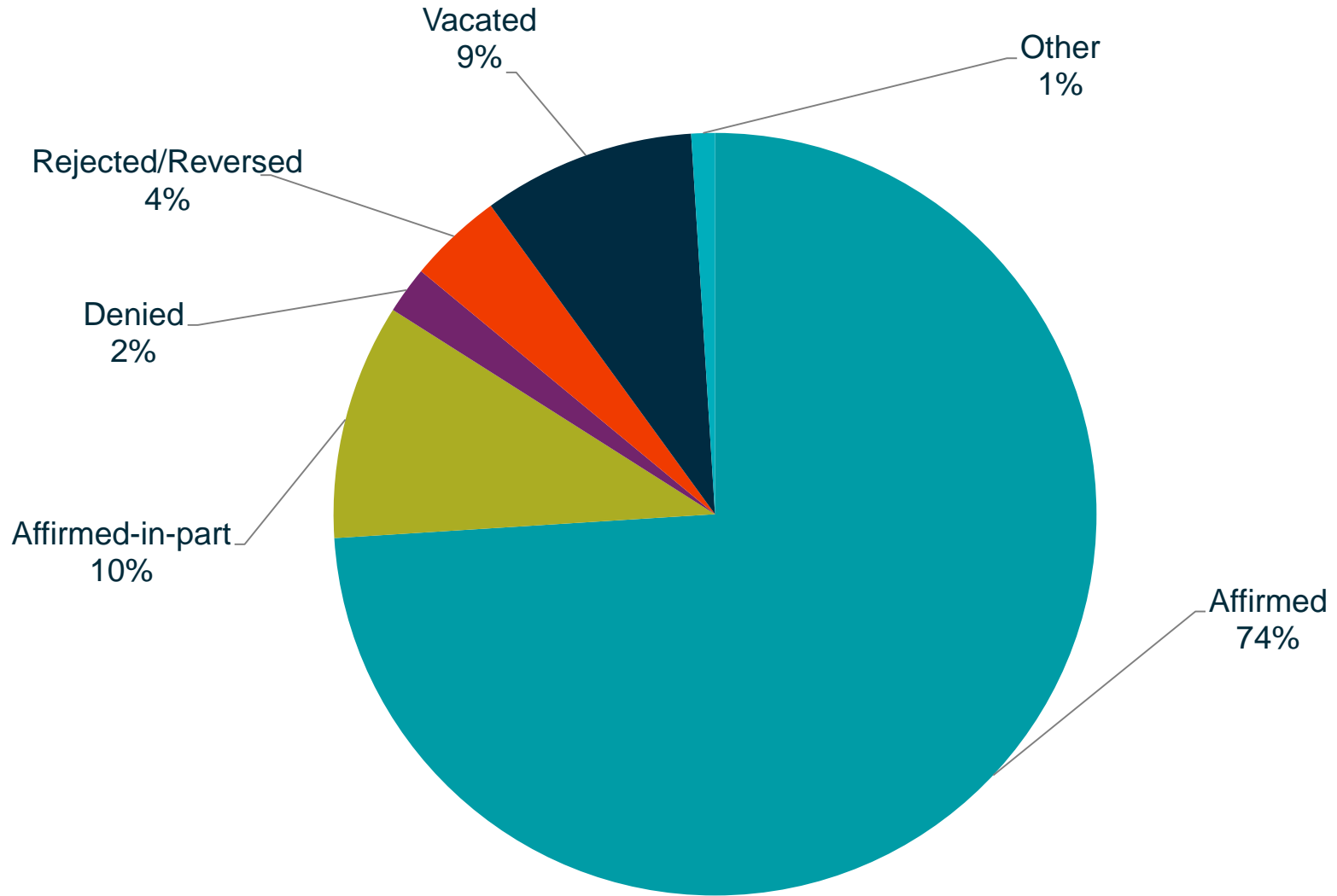
# BioPharma IPR Filings

## IPRs Filed in TC1600 *2012 - Present*



# IPR/CBM Federal Circuit Decisions

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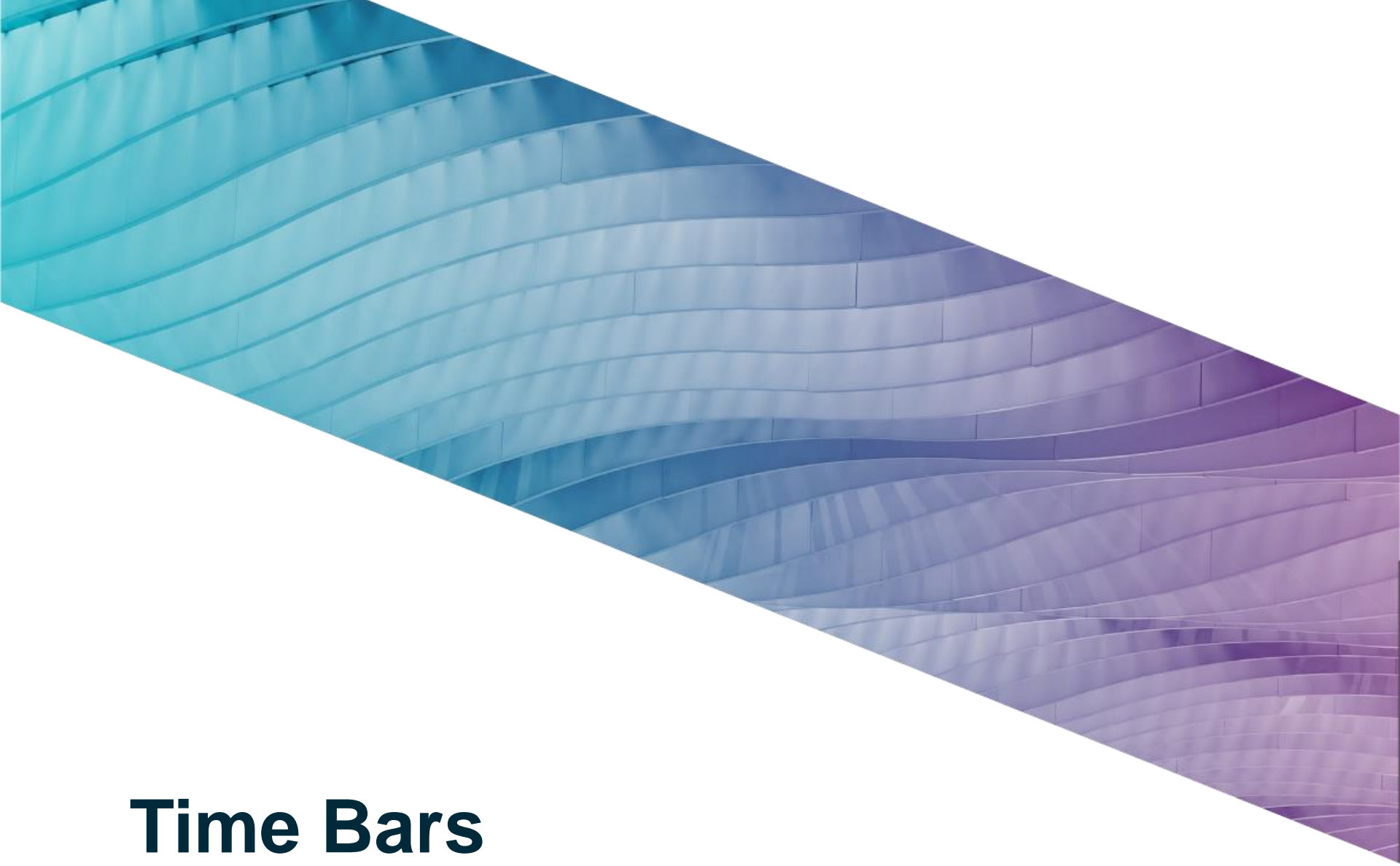
***Oil States***

## ***Oil States Energy Services, LLC v. Green's Energy Group LLC*** **(U.S. Apr. 24, 2018)**

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- IPR does not involve unconstitutional agency application of judicial power.
- Patents are “public franchises.” As the determination to **grant** a patent may be made outside an Article III court, so may **review** of one.
- “Patent claims are granted subject to the qualification that the PTO has the authority to reexamine—and perhaps cancel—a patent claim in an *inter partes* review.” Op. at 9.
- “We disagree with the dissent’s assumption that, because courts have traditionally adjudicated patent validity in this country, courts must forever continue to do so.” Op. at 14.

**Bottom line: Post-Grant Practice lives!**



# Time Bars

# Time Bars

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***Click-to-Call Technologies, LP v. Ingenio, Inc.*, \_\_\_ F.3d \_\_\_, 2018 WL 3893119 (Fed. Cir. Aug. 16, 2018)**

- A patentee's initial service of a complaint triggers the one-year period for filing of an IPR petition—even if the complaint was voluntarily dismissed without prejudice to refiling.
- *Click-to-Call* potentially opens a path for patent owners to strategically file and serve a complaint, then immediately withdraw, so as to start the one-year period for filing IPR for their adversaries.



# **Institution Decisions**



# Institution Decisions

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## ***SAS Institute Inc. v. Iancu* (U.S. Apr. 24, 2018)**

- No ambiguity in § 318(a)'s requirement that PTO “shall” issue FWD “with respect to the patentability of **any patent claim challenged** by the petitioner.”
- PTO’s claim to discretion on which claims to institute lacks statutory support.
- No *Chevron* deference, as statute is non-ambiguous.
- Efficiency/policy concerns must be addressed by Congress.
- Per *Cuozzo*, PTO’s failure to abide by statutory limits on authority is judicially reviewable notwithstanding § 314(d).

PTAB response to *SAS*: PTAB will address ALL challenged claims and ALL grounds raised.

# Institution Decisions

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## **What do post-SAS institution decisions look like?**

- PTAB is addressing all grounds/all claims, noting which grounds do not meet the “reasonable likelihood” standard.

## **What happens to grounds where petitioner failed to meet the “reasonable likelihood” standard?**

- Petitioner can respond to the institution decision, including rejected grounds, in its reply.
- PTAB has suggested that Petitioner’s response will be limited to the evidence of record—in essence, treating Petitioner’s response under the same standards as a request for rehearing.

# Institution Decisions

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## How does *SAS* affect estoppel and *Shaw*?

- Recall that in *Shaw* the Fed. Circuit held that grounds raised in a petition but not included in the institution decision could not form the basis of the estoppel.
- *SAS* potentially changes that because all grounds are now addressed in the institution decision.
- Estoppel inquiry may now shift to the “reasonably could have raised” standard for art not included in the petition.

# Institution Decisions

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**PTAB can still exercise its discretion under § 325(d) and/or § 314 to deny petitions in their entirety, and has been doing so!**

# Institution Decisions

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35 USC § 325(d) grants the Board express discretion to deny a petition when “the same or substantially the same prior art or arguments previously were presented to the Office.” The Board generally applies the factors set forth in its *Becton Dickinson* decision:

- (a) the similarities and material differences between the asserted art and the prior art involved during examination;
- (b) the cumulative nature of the asserted art and the prior art evaluated during examination;
- (c) the extent to which the asserted art was evaluated during examination, including whether the prior art was the basis for rejection;

# Institution Decisions

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(d) the extent of the overlap between the arguments made during examination and the manner in which Petitioner relies on the prior art or Patent Owner distinguishes the prior art;

(e) whether Petitioner has pointed out sufficiently how the Examiner erred in its evaluation of the asserted prior art; and

(f) the extent to which additional evidence and facts presented in the Petition warrant reconsideration of prior art or arguments.

# Recent Decisions on 325(d) Estoppel

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## ***Apotex Inc. and Apotex Corp. v. Celgene Corporation*; IPR2018-00685**

- Apotex challenged claims 1-4, 8, 9, 15, and 20 of the U.S. Patent No. 8,741,929 on anticipation and obviousness grounds.
- Apotex challenged the claims based on references by Drach, Zeldis, Querfeld, and a Celgene press release.
  - Apotex cited the same / substantially the same prior art that was presented to the Office during prosecution.
  - Apotex failed to provide a compelling reason why the board should adjudicate the issues based on the art and arguments presented in the Petition.
  - Regarding the Celgene press release, the Board determined that Apotex had failed to provide evidence that the reference was sufficiently accessible to the public prior to the critical date.

**Institution denied**

# Recent Decisions on 325(d) Estoppel

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## *Hologic, Inc. v. bioMérieux, Inc.*; IPR2018-00567

- Hologic challenged claims 1-5 of U.S. Patent No. 9,047,262 on two obviousness grounds based on four references: Backus, Bell, Sooknanan, and Myers.
  - Although not expressly relied upon during prosecution, Backus was used to reject similar claims during prosecution of the '262 patent's **parent application** and Bell was discussed during Examiner interviews during the prosecution of the '262 patent's **parent application**.
  - Examiner considered substantively the same reference as the Myers reference relied upon Hologic.
  - Sooknanan is cumulative to the prior art evaluated during prosecution.
  - Hologic failed to discuss 325(d) of why the Examiner's analysis of these references during prosecution was incorrect.

**Institution denied**



# Institution Decisions

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35 USC § 314 allows the PTAB to deny petitions under a number of circumstances governed by the principles it articulated in *General Plastics* (a precedential PTAB decision):

1. Whether the same petitioner previously filed a petition directed to the same claims of the same patent;
2. Whether at the time of filing of the first petition the petitioner knew of the prior art asserted in the second petition or should have know of it;
3. Whether at the time of filing of the second petition the petitioner already received the patent owner's preliminary response to the first petition or received the Board's decision on whether to institute the first petition;
4. The length of time that elapsed between the time petitioner learned of the prior art asserted in the second petition and the filing of the second petition;

# Institution Decisions

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5. Whether the petitioner provides adequate explanation for the time elapsed between the filing of multiple petitions directed to the same claims of the same patent;
  6. The finite resources of the Board; and
  7. The requirement under 35 U.S.C. § 316(a)(11) to issue a final determination not later than 1 year after the date on which the Director notices institution of review.
- The *General Plastics* factors are now expressly recited in the PTAB Trial Practice guide.
  - The PTAB has been relying on § 314 to deny petitions under a variety of circumstances.
    - Follow-on petitions by same party. See, e.g., *Fisher & Paykel Healthcare Ltd. v. ResMed Ltd.*, IPR2017-01659, Paper No. 8 (PTAB Jan. 16, 2018).
    - Follow-on petitions by different party. See, e.g., *Shenzhen Silver Star Intelligent Tech. Co., Ltd. v. iRobot*, IPR2018-00761, Paper No. 15 (PTAB Sept. 5, 2018).



# **Real Party in Interest/Privity**

# Real Party in Interest/Privity

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## Why does it matter?

- 35 USC 312(a)(2) – Petition must identify all RPIs –
  - Ensures that all parties that attacked the patent are properly identified to allow the monitoring of improper, repeat filings by those entities.
- 35 USC 315(a)(1) – DJ Bar –
  - “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.”
- 35 USC 315(b) – One Year Bar –
  - “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 privity of the petitioner is served with a complaint alleging infringement of the patent.”

# Real Party in Interest/Privity

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## Why does it matter?

- 35 USC 315(e)(1) - Estoppel Directed to USPTO 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 privity 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.”
- 35 USC 315(e)(2) - Estoppel Directed to 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 privity 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.”

# Real Party in Interest/Privity

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## *Applications in Internet Time, LLC v. RPX Corp.*, \_\_\_ F.3d. \_\_\_ (Fed. Cir. July 18, 2018)

- Federal Circuit adopted a broader meaning of RPI than PTAB. PTAB definition centered on control.
- “[T]he focus of the real-party-in-interest inquiry is on the patentability of the claims challenged in the IPR petition, bearing in mind who will benefit from having those claims canceled or invalidated.”
- “Determining whether a non-party is a ‘real party in interest’ demands a **flexible approach** that takes into account both equitable and practical considerations, with an eye toward determining whether the non-party is a **clear beneficiary** that has a **preexisting, established relationship** with the petitioner.”

# Real Party in Interest

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## ***Worlds, Inc. v. Bungie, Inc.*, \_\_ F.3d \_\_ (Fed. Cir. Sept. 7, 2018)**

- Federal Circuit held that the PTAB should accept a petitioner's identification of RPI's unless patent owner disputes the identification.
- To dispute the identification, patent owner must come forth with "some evidence that tends to show that a particular third party should be named a real party in interest."
- Federal Circuit also held that petitioner bore the ultimate burden of proving that it had correctly named all RPI's.
- Attorney argument alone by petitioner not likely sufficient to meet burden.

# Real Party in Interest/Privity

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- Do these Decisions:
  - ... encourage patent owners to raise the RPI or privity issue where time bars preclude refileing by petitioner?
  - ... encourage additional discovery where little RPI evidence has been offered by petitioner in the petition?
- Where the patent owner attempts to bring the issue into dispute, petitioners should ask - does record evidence support the designation of RPI?
  - If so, evaluate whether briefing is necessary to elevate evidence.
  - If not, decide how to augment the record, and seek leave to evidence.
    - Declaration evidence ... From whom?





# **Printed Publications**

# Printed Publications

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## ***GoPro, Inc. v. Contour IP Holding LLC*, 908 F.3d 690 (Fed. Cir. July 27, 2018)**

- Fed Cir vacates IPR decisions that GoPro did not prove Contour claims obvious.
- The Board erred in reasoning that, because GoPro had not shown that a dealer show where it distributed a pre-filing GoPro catalog was promoted to the public, the catalog had not been proved to be a printed publication. “The case law regarding [public] accessibility is not as narrow as the Board interprets it.” Op. at 7.

**NY/NJ CLE CODE: 233**

# Printed Publications

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## ***GoPro, Inc. v. Contour IP Holding LLC*, 908 F.3d 690 (Fed. Cir. July 27, 2018)**

- The opinion discusses how the dealer show at issue was not unlike a conference, and though it was open only to dealers, “it is more likely than not that persons ordinarily skilled and interested in POV action cameras were in attendance or at least knew about the trade show and expected to find action sports cameras at the show.” Op. at 9–10. As per *Blue Calypso*, 815 F.3d 1331 (Fed. Cir. 2016), and *Constant*, 848 F.2d 1560 (Fed. Cir. 1988), this was sufficient to indicate that members of the relevant public—those skilled in the relevant field of action cameras—exercising reasonable diligence should have been aware of the show.

# Printed Publications

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Why is the *GoPro* decision important?

- Although there is panel variability, the PTAB often places on a high burden on petitioner to prove a reference is a printed publication.
  - *Celltrion, Inc. and Pfizer, Inc. v. Biogen, Inc. and Genentech, Inc.*, IPR2016-01614 (PTAB Feb. 21, 2018) (Petitioners failed to prove that the Rituxan label was publicly accessible, and thus qualified as a printed publication).
  - *Adobe Sys. Inc. v. William Grecia*, IPR2018-00419 (PTAB June 21, 2018) (Internet Archive declaration not sufficient to demonstrate that a “Project Report” from a Masters thesis was sufficiently indexed and publicly accessible on a University’s website to qualify as a printed publication).
  - *Hulu LLC v. Sound View Innovations LLC*, IPR2018-01039 (PTAB Dec. 3, 2018) (Discrepancies between art relied upon and the art submitted with librarian’s declaration precluded a finding that the art relied upon was publicly accessible, and thus a printed publication).



# **Rule Changes and Proposed Rule Changes**

# Rule Changes and Proposed Rule Changes

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## Claim construction:

For all petitions filed on or after November 13, 2018, the USPTO introduced a new rule that (a) modified the claim construction standard in post-grant proceedings from BRI to the standard applied in federal district courts under *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005), and (b) required PTAB panels to review and consider prior claim construction rulings from a district court or International Trade Commission proceeding.

**What are the practical consequences of this change?**

# Rule Changes and Proposed Rule Changes

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## Claim amendments:

- PTO proposed a pilot program featuring an accelerated briefing schedule that calls for a preliminary, nonbinding evaluation of a motion to amend by the Board and an opportunity for the patent owner to revise the amendment before the oral hearing and final written decision.
- Amendment briefing schedule runs in parallel with petition briefing schedule.
- The PTO indicates that it anticipates implementation of the pilot program “shortly after the comment deadline” of December 14, 2018, and it will be “used in every AIA [America Invents Act] trial proceeding involving a motion to amend.” See 83 Fed. Reg. at 54324.



# **New Trial Practice Guide**



# New Trial Practice Guide

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- Updated guide published in August, 2018.
- Significant features:
  - Specifically incorporates the *Becton Dickinson* and *General Plastics* factors for evaluating petitions under §§ 325(d) and 314, respectively;
  - Permits Patent Owners as a matter of right to file surreplies;
  - Permits Petitioners to respond to points raised in the institution decision regardless of whether Patent Owner addresses those points in its PO response.



# **Post-Grant Resources**

# Post-Grant Resources

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## Fish Sites

- **Dedicated Website:** <http://fishpostgrant.com/>
- **Mobile Application:** <http://fishpostgrant.com/app/>
- **Case Studies:** <http://fishpostgrant.com/case-studies/>
- **Webinar Replays:** <http://fishpostgrant.com/webinars/>
- **Post-Grant Radio:** <http://fishpostgrant.com/podcasts/>
- **Post-Grant Year-End Reports:** <https://fishpostgrant.com/downloads/>

## USPTO Sites

- **Dedicated Website:** <https://www.uspto.gov/patents-application-process/patenttrialandappealboard>
- **Post-Grant Trial Practice Guide:** [https://www.uspto.gov/sites/default/files/documents/2018\\_Revised\\_Trial\\_Practice\\_Guide.pdf](https://www.uspto.gov/sites/default/files/documents/2018_Revised_Trial_Practice_Guide.pdf)
- **Standard Operating Procedures:** <https://www.uspto.gov/patents-application-process/appealing-patent-decisions/procedures/standard-operating-procedures-0>
- **Guidance on SAS:** <https://www.uspto.gov/patents-application-process/patent-trial-and-appeal-board/trials/guidance-impact-sas-aia-trial>
- **Statistics:** <https://www.uspto.gov/patents-application-process/patent-trial-and-appeal-board/statistics>

# Thank You!

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