When the Leahy-Smith America Invents Act (AIA) was signed into law on September 16, 2011, it created a new practice in patent law—patent trials before a newly created Patent Trial and Appeal Board (PTAB) within the US Patent and Trademark Office (Office). This chapter discusses the essential framework of the PTAB and the patent trial proceedings before the PTAB.

A. Legal Authority and Regulations


The AIA amended 35 U.S.C. § 6 to establish the PTAB, or Board, which includes the Director, the Deputy Director, the Commissioners for Patents and Trademarks, and the Administrative Patent Judges (APJs), and which replaces the Board of Patent Appeals and Interferences (BPAI). Those on the Board, particularly the APJs, are persons skilled in patent matters.

The authors thank James Eaton, Michael Galgano, Christina Ji-Hye, Matthew Karas, Tyler Latcham, Maureen Queler, Erin Sommers, Paul Townsend, and Christina Yang for their assistance with this book.


3. Id.
Trial proceedings before the Board are heard by a panel of three members of the Board.4

Further, the AIA established two post-grant trial proceedings to be conducted by the Board: \textit{inter partes} review (IPR)5 and post-grant review (PGR).6 IPR provisions are codified in chapter 31 of title 35 of the \textit{United States Code}, as amended by the AIA. PGR provisions are codified in chapter 32 of title 35 of the \textit{United States Code}, as amended by the AIA. IPR and PGR provide third parties an opportunity to challenge the validity of an issued US patent based on prior art or other grounds of unpatentability. During these proceedings, patent owners have an opportunity to amend patent claims to preserve patentability.

The IPR and PGR statutes generally track each other. Both IPR and PGR proceedings begin with the filing of a petition to institute a trial challenging the patentability of one or more claims in an issued US patent7 and provide the patent owner with an opportunity to file a preliminary response to the petition.8 The statutes authorize the Director to institute a trial when the petitioner has established that the standards for instituting the requested trial are met.9 Where a trial has been instituted and not dismissed, the Board is required to issue a final written decision on the patentability of the challenged patent claims.10 The final written decision is appealable to the US Court of Appeals for the Federal Circuit (Federal Circuit).11 A final written decision from the Board may preclude the challenger from later raising validity challenges in other proceedings, such as district court patent litigation or another Office proceeding.12

Section 18 of the AIA, titled “Transitional Program for Covered Business Method Patents,” establishes a subset of PGR proceedings for “covered business method patents” (CBM-PGR). Because § 18 is scheduled to sunset after eight years, it is not codified in title 35. AIA § 18(a)(1) specifies

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4. \textit{Id.} at § 6(b)–(c).
5. \textit{See infra} Section B.1 of this chapter.
6. \textit{See infra} Section B.2 of this chapter.
8. \textit{Id.} §§ 313, 323.
9. \textit{Id.} §§ 314, 324.
10. \textit{Id.} §§ 315(e), 325(e).
12. \textit{Id.} §§ 313(e), 325(e).
that CBMs “shall be regarded as, and shall employ the standards and procedures of, a post grant review under chapter 32 of the title 35,” with some important exceptions. Finally, the AIA amended 35 U.S.C. § 141(c) to provide a right of appeal to any party to an IPR, PGR, or CBM-PGR proceeding. Section 141 specifies that only final decisions by the Board may be appealed. Further, the decisions may only be appealed to the Federal Circuit.

Section B of this chapter describes the various threshold showings, standing requirements, burdens of proof, and estoppel provisions for IPR, PGR, and CBM-PGR.


In 2012, the Office published several rule packages to implement the IPR, PGR, and CBM-PGR proceedings. These packages established rules, which appear in part 42 of title 37 of the Code of Federal Regulations. The Office has since published additional rule packages to implement technical corrections to the AIA, rename Express Mail® to Priority Mail®, make “more ministerial” changes to the rules, make “more involved” changes to the rules, and correct an error in § 42.24(a)(1) created by the “more involved” changes. Four primary sets of rules apply to PTAB trials.

14. See infra Chapter 4 discussing appeals.
15. All citations to Title 37 of the Code of Federal Regulations refer to rules in effect as of June 19, 2016, unless noted otherwise.
Provided below is a brief overview of the four sets of rules. The rules themselves are included in chapter 5, together with relevant comments, decisions, and informal guidance.

a. **Umbrella Trial Rules (§§ 42.1–42.80)**

The umbrella trial rules are included in 37 C.F.R., part 42 under subpart A, titled “Trial Practice and Procedure.” These rules apply to all proceedings before the Board, including IPR, PGR, and CBM-PGR proceedings. The umbrella trial rules include the fee schedule18 and other general information,19 e.g., requirements for filing documents, requirements for representation by counsel, mandatory notices, and information on sanctions. These rules also set forth conduct during a proceeding, including petition and motions practice,20 testimony and production,21 oral argument, decision, and settlement.22

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18. 37 C.F.R. § 42.15.
19. *Id.* §§ 42.1–42.15.
20. *Id.* §§ 42.20–42.25.
21. *Id.* §§ 42.51–42.65.
22. *Id.* §§ 42.70–42.74.
b. **Inter Partes Review (§§ 42.100–42.123)**
The rules governing IPR are in 37 C.F.R., part 42, subpart B, and set forth a general framework for requesting IPR,\(^\text{23}\) the requirements for institution of an IPR proceeding,\(^\text{24}\) and conduct after institution.\(^\text{25}\)

c. **Post-grant Review (§§ 42.200–42.224)**
The rules governing PGR are in 37 C.F.R., part 42, subpart C, and set forth a general framework for requesting PGR,\(^\text{26}\) the requirements for institution of a PGR proceeding,\(^\text{27}\) and conduct after institution.\(^\text{28}\)

d. **Covered Business Methods Review (§§ 42.300–42.304)**
The rules governing post-grant challenges of CBM patents are in part 42, subpart D. These rules specify what encompasses a CBM,\(^\text{29}\) who may file a petition for a CBM patent review,\(^\text{30}\) the timing for filing,\(^\text{31}\) and the content of a petition.\(^\text{32}\) These rules also generally subject CBMs to the PGR regulations in part 42, subpart C.\(^\text{33}\)

3. **Formal Guidance**
In addition to the rules in the *Code of Federal Regulations*, the Office has provided formal guidance on the scope and implementation of the regulations just discussed. Some of the guidance is included in the proposed and final rules packages, which include the Office’s response to public comments on the regulations. In addition to the comments, the Office has separately published a Patent Trial Practice Guide “to advise the public on the general framework of the rules, including the structure and times for taking action in each of the new proceedings.”\(^\text{34}\) While the Patent Trial

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23. *Id.* §§ 42.100–42.107.
24. *Id.* § 42.108.
25. *Id.* §§ 42.120–42.123.
26. *Id.* §§ 42.200–42.207.
27. *Id.* § 42.208.
28. *Id.* §§ 42.220–42.224.
29. *Id.* § 42.301.
30. *Id.* § 42.302.
31. *Id.* § 42.303.
32. *Id.* § 42.304.
33. *Id.* § 42.300(a).
Practice Guide is not binding authority, the Office has repeatedly indicated that it intends to follow the procedures and timing outlined in the Patent Trial Practice Guide.

Additional formal guidance is provided in decisions from the Board and its predecessor, the BPAI. Precedential opinions by the Board and the BPAI provide instructive guidance on how the Board interprets the statutes and conducts trials. Other decisions, including informative or representative decisions by the Board, have persuasive value to the Board, as they illustrate procedural and other norms. All of the decisions are posted on the official website for the PTAB: http://www.uspto.gov/ip/boards/bpai/index.jsp. The Board has also selected some of its decisions and orders as “precedential,” “informative,” or “representative” and posted them in special sections on the PTAB website. As indicated in the PTAB’s Standard Operating Procedures, only decisions and orders designated as precedential create binding authority. Decisions and orders marked informative, while not precedential, provide PTAB norms on recurring issues, guidance on issues of first impression, and guidance on PTAB rules and practices. Decisions and orders marked representative provide a representative sample of outcomes on a matter.

Chapter 5 includes the PTAB’s formal guidance, organized by relevant rule.

4. Informal Guidance

Another resource for practitioners before the Board is commentary on the regulatory scheme provided by the APJs through online posts or speeches, or in Office presentations, which help to explain the proceedings to the public and answer frequently asked questions. This guidance can be found on the PTAB website.

Chapter 5 includes the PTAB’s informal guidance, organized by relevant rule.

35. Id.
36. Id.
B. Quick Reference Guides

1. Inter Partes Review Quick Reference

IPR replaced inter partes reexamination and allows a third party to challenge the patentability of issued patent claims under 35 U.S.C. §§ 102 and 103 based on prior art patents and/or printed publications.37

While all patents are eligible for an IPR, for patents with an effective filing date of March 16, 2013, or later (so-called post-AIA patents), an IPR petition must be filed after the later of the nine-month period for filing a PGR (discussed later in the chapter) and the termination of any PGR of the patent.38 If the third party is a defendant in an infringement action, an IPR challenging the asserted patent must be filed within one year of service of the complaint.39 The Board has stated that service includes summons.40

A petitioner cannot file an IPR petition if the party previously filed a civil action challenging a patent’s validity.41 A civil action challenging validity filed by a petitioner on or after the date an IPR is filed will be automatically stayed unless: (1) the patent owner moves to lift the stay, (2) the patent owner files an action or counterclaim for infringement, or (3) the petitioner moves to dismiss the civil action.42 It should be noted that a counterclaim of invalidity does not qualify as a civil action challenging validity.43 Further, the PTAB has stated that an affirmative defense of invalidity in a declaratory judgment action also does not qualify as a civil action challenging validity for the purposes of barring an IPR.44

For an IPR proceeding to be instituted, the petition must show that there is a reasonable likelihood that the petitioner would prevail with respect to unpatentability of at least one claim.45 Once a final written decision is

38. Id. § 311(c).
39. Id. § 315(b).
42. Id. § 315(a)(2).
43. Id. § 315(a)(3).
issued, the petitioner will be estopped from later raising “any ground that
the petitioner raised or reasonably could have raised” during the IPR pro-
ceeding. Estoppel will have effect in further proceedings before the Office,

Statistics regarding IPRs are available at http://www.aiablog.com and http://
www.uspto.gov/patents-application-process/appealing-patent-decisions/
statistics/aia-trial-statistics.

46. Id. § 315(e).
47. Id.
2. Post-grant Review Quick Reference

PGR allows third parties to challenge the patentability of issued patent claims within the first nine months following the grant of a patent or issuance of a reissue patent.48 This procedure is only available to challenge patents issuing from applications filed on or after March 16, 2013.49 A third party may file a petition for PGR, unless they have filed a civil action challenging the validity of the patent prior to filing the petition.50

The Transitional Program for Post-Grant Review of Covered Business Method Patents provides a specific type of PGR for covered business method patents (CBM-PGR).51 A third party that has been sued for or charged with infringement under a CBM may challenge the patentability of the asserted patent claims using this procedure.52 Unlike other PGRs, there is no nine-month time limit for filing, and this procedure is available for all issued patents, not just those issuing from applications filed on or after March 16, 2013.53

To institute a PGR or CBM-PGR proceeding, the petition must show that it is more likely than not that at least one claim will be found unpatentable.54 Patentability challenges can be based on any ground available under 35 U.S.C. § 282(b)(2)–(3), including statutory subject matter (§ 101), novelty (§ 102), and obviousness (§ 103), as well as failure to comply with 35 U.S.C. § 112 (with the exception of best mode).55 Unlike other PGR

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48. Id. § 321(a)–(c).
49. Leahy-Smith America Invents Act, Pub. L. No. 112-29, § 3(n)(1).
51. Leahy-Smith America Invents Act, Pub. L. No. 112-29, § 18; 37 C.F.R. §§ 42.300–42.304.
52. Leahy-Smith America Invents Act, Pub. L. No. 112-29, § 18(a)(1)(B); 37 C.F.R. § 42.302.
55. 35 U.S.C. § 321(b). In CBM-PGR proceedings, grounds raised under § 102 or § 103 may only be supported based on (i) prior art that is described by pre-AIA § 102(a) or (ii) prior art that (a) discloses the invention more than one year before the date of the application for patent in the United States, and (b) would be described by pre-AIA § 102(a) if the disclosure had been made by another before the invention thereof by the applicant for patent. Leahy-Smith America Invents Act, Pub. L. No. 112-29, § 18(a)(1)(C).
proceedings, a CBM-PGR only estops a petitioner from later raising in a district court or the ITC issues that were “actually raised” in the proceeding.56 For later Office proceedings, the petitioner is estopped from raising “any ground that the petitioner raised or reasonably could have raised” during the CBM-PGR proceeding.57


57. 35 U.S.C. § 325(e).