The Practitioner’s Guide to Trials Before the Patent
Trial and Appeal Board

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The following is an excerpt from Chapter 3, Section I, pages 27-33 of the newly-published The Practitioner’s Guide to Trials before the Patent Trial and Appeal Board (PTAB), by Erika Harmon Arner and Joseph E. Palys. This book is a concise, practical resource for practitioners actively involved in managing the unique aspects of PTAB trials. Its lead authors share their experience handling over 60 PTAB proceedings in this developing area and provide a unique perspective for practitioners advising clients and planning strategy during PTAB trials.

I. Petitions Phase

A. Petition for Review
To request institution of a trial, a petitioner files a petition. Chapter 5 provides a checklist for the petition and addresses various formatting requirements, including page limits. The petition must be filed electronically with exhibits unless otherwise authorized, and must be served on each opposing party at the time of filing (if not previously served). It must also identify each real party-in-interest for the petitioning party; any other judicial or administrative proceeding that would affect, or be affected by, a decision in the proceeding; lead and back-up counsel, if the party is represented; and service information. The petition must also set forth grounds for standing. For inter partes review (IPR) and post-grant review (PGR) petitions, the petitioner must certify that the challenged patent is available for the type of review sought and that the petitioner is not barred or estopped from requesting review of the challenged claims on the grounds identified in the petition. In addition, for covered business method post-grant review (CBM-PGR) petitions, the petition must demonstrate that the patent for which review is sought is a covered business method patent, and that the petitioner meets the eligibility requirements of 37 C.F.R. § 42.302. Finally, every petition must provide a statement of the precise relief requested for each claim challenged. Like claims may be grouped together, provided the basis for challenging the claims is the same.

The statement of the precise relief requested must identify the statutory grounds the claims are challenged under. The specific requirements, however, vary depending on whether the petition is for IPR, PGR, or CBM-PGR. For IPR, the petition must identify, for each challenged claim, the specific statutory grounds under 35 U.S.C. § 102 or 103 and the patents or printed publications relied upon for each ground. IPR petitions are limited to challenging claims based on printed patents and publications only.
For PGR, the petition must identify, for each challenged claim, the specific statutory grounds permitted under 35 U.S.C. § 282(b)(2) or (3) the claim is challenged under. For PGR petitions, claims can be challenged under any of the statutory invalidity defenses available to an accused infringer. And, for CBM-PGR, the petition must identify, for each challenged claim, the specific statutory grounds permitted under 35 U.S.C. § 282(b)(2) or (3) the claim is challenged under, except as modified by section 18(a)(1)(C) of the Leahy-Smith America Invents Act, Pub. L. 112-29, 125 Stat. 284 (2011).

For all petitions, the statement of precise relief requested must identify how the challenged claim is to be construed. If the claim contains a means-plus-function or step-plus-function limitation, the construction must identify the specific portions of the specification that describe the structure, material, or acts corresponding to each claimed function. In general, however, the petitioner need not define every claim term. A general statement that the claim terms retain their ordinary meaning suffices, as long as terms with special meanings are identified and defined.

The petition must also identify how the construed claim is unpatentable under the identified statutory grounds and provide the exhibit number of any supporting evidence along with an identification of the specific portions of the evidence that support the challenge. Where the grounds for unpatentability are based on prior art, the petition must specify where each element of the claim is found in the prior art. For all other grounds of unpatentability, the petition must identify the specific part of the claim that fails to comply with the statutory grounds raised and state how the identified subject matter fails to comply with the statute.

B. Patent Owner Preliminary Response

After a petition has been filed, and before the Board makes its determination regarding the petition, the patent owner may file a preliminary response. An owner of the entire interest of the patent may act to the exclusion of the inventor. However, an owner of partial interest must file a motion to act without the inventor or co-owner. Such a motion must show the inability or refusal of an inventor or co-owner to prosecute the proceeding, or show why it is in the interests of justice to permit the partial owner to act.

For both IPRs and PGRs, the patent owner may file a preliminary response no later than three months after the date of a notice indicating that the petition has been granted a filing date. Chapter 5, section VI.B, provides a checklist for the preliminary response and addresses various formatting requirements, including page limits. The preliminary response must be filed electronically and with exhibits unless otherwise authorized, and must be served on each opposing party at the time of filing (if not previously served). Patent owners should be aware of the possibility of the Board requiring that the preliminary response be filed before the three-month deadline.

The preliminary response is limited to setting forth reasons why the Board should not institute a review under 35 U.S.C. § 314 or 324. The preliminary response can include claim-construction issues. And the preliminary response can include evidence supporting the patent owner’s contentions, but cannot present new testimonial evidence beyond that already of record, except as authorized by the
Board. If the patent owner wishes to submit testimonial evidence with its preliminary response, it must first seek relief to do so by filing an authorized motion. The preliminary response cannot include any claim amendments.

In addition to, or in lieu of, a preliminary response, the patent owner may file a motion to dismiss after seeking authorization to do so. The Board grants such a motion on a case-by-case basis.

II. Institution
The Board decides whether to institute a trial based on the petition and a patent owner preliminary response where such a response is filed. In the case of IPR, the Board will not institute a trial for a ground of unpatentability unless the Board decides that the petition supporting the ground would demonstrate that there is a reasonable likelihood that at least one of the claims challenged in the petition is unpatentable. In the case of a PGR, the Board will not institute a trial for a ground of unpatentability unless the Board decides that the petition supporting the ground would, if unrebutted, demonstrate that it is more likely than not that at least one of the claims challenged in the petition is unpatentable. According to the Office, the “reasonable likelihood” requirement for IPR is a lower threshold than the “more likely than not” requirement for PGR. While “reasonably likelihood” may encompass a 50/50 chance, “more likely than not” requires greater than a 50 percent chance.

When instituting IPR, CBM-PGR, or PGR, the Board may authorize the review to proceed on all or some of the challenged claims and on all or some of the grounds of unpatentability asserted for each claim. If the Board decides to do so, it will send a notice of the trial to all of the parties. Where claim construction is at issue, the Board will also provide an initial claim construction.

The Board may decline to institute a trial when it determines that it would not be able to timely complete the trial. If the Board declines to institute a trial on some or all grounds of unpatentability for some or all of the challenged claims, it may do so before or after receiving a patent owner preliminary response. For example, the Board may decline to institute a trial on anticipation when the petition “does not clearly point to where each element of the claim is found” in the prior art. And the Board may decline to institute a trial on obviousness when the petition “does not point out the differences between the claimed invention and [the prior art],” and does not “explain why a person of ordinary skill in the art would have found the claimed subject matter obvious in spite of those differences.”

Thus far, the Board has instituted a trial in the vast majority of cases. If the Board decides not to institute a trial, the petitioner may file a request for rehearing within 30 days of entry of the decision. Likewise, if the Board decides to institute a trial but only on some of the grounds of unpatentability, the petitioner may file a request for rehearing within 14 days.