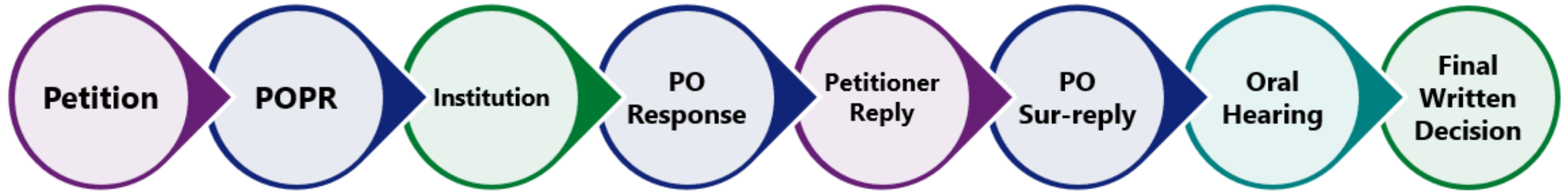


Advanced AIA Trial Practice



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Disclaimer

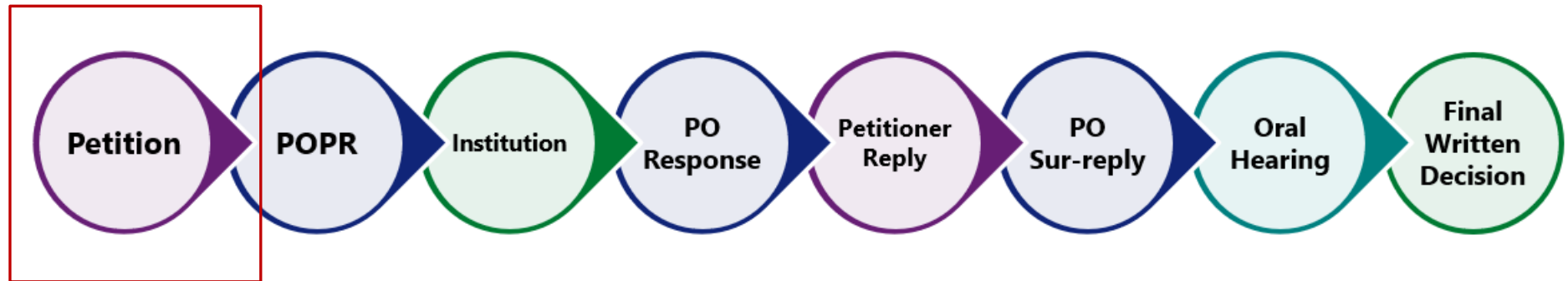
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Agenda

- Topics:
 - Pre-Institution
 - Petition
 - Preliminary replies (POPR and reply to POPR)
 - Post-Institution
 - New argument/evidence and motion to strike

Petition



Discretionary Limitations on Petitioning*

- **35 U.S.C. § 314(a)** – The Director may not authorize an *inter partes* review to be instituted unless...
- **Consolidated Trial Practice Guide (Nov. 2019) § II.D.2 (pages 55-61)**
 - Serial petitions: “follow-on” petitions challenging the same patent by the same or closely related party may be denied under *General Plastic*.
 - Parallel petitions: “one petition should be sufficient.”
- ***Fintiv*** – petition may be denied if a court will decide the issue first
 - Exceptions: ITC, *Sotera* stipulation, compelling merits (see **Katherine Vidal, *Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation (June 21, 2022)***)

Rule-based Limitations on Petitioning

- **37 C.F.R. § 42.6(a)(3)** – no incorporation by reference of arguments
- **37 C.F.R. § 42.15(a)** – Fee \$41,500 plus \$1,125/claim in excess of 20
- **37 C.F.R. § 42.104(b)** – Detailed identification of grounds, claim constructions, including construction of means-plus-function (MPF) terms, and where each element of the claim is found in the prior art
- **37 C.F.R. § 42.24(a)(1)(i)** – Limit of 14,000 words/petition, but under 42.24(a)(2), petitioner can seek waiver

Hypothetical I

Your Client was sued in the Eastern District of Patent Cases (EDPC) and served with the complaint last month. Under the Local Patent Rules, Plaintiff must serve preliminary infringement contentions identifying asserted claims and the accused instrumentalities by January 15.

Your team has been diligently preparing an IPR Petition, but they've run into a few snags:

- The patent has 30 claims, requires three or more references to challenge, and involves multiple grounds of unpatentability.
- Of the 30 claims in the patent, there are 12 means-plus-function (MPF) claims that the client wants to challenge in the IPR.
- The current draft petition is well over the 14,000 word limit.

Advice to Client

Your Client Petitioner is anxious to file the petition to avoid *Fintiv* and to get an IPR result around the time of trial or shortly thereafter. What advice do you give?

1. File a single petition now involving all 30 claims in the patent, make creative short cites to eliminate spaces (e.g., Ex1001¶¶30-31), offload some explanations into an expert declaration, and get under the word limit.
2. File two petitions now (18 claims in one and the 12 MPF claims in the other) to stay under the word limit.
3. Wait to get the preliminary contentions next month, see what claims are asserted, including whether the MPF claims are asserted, and then streamline as best as possible.
4. Other options?

Client Questions

Your Client Petitioner generally agrees with you to wait to file the petition until the preliminary contentions are served (option 3), but has a few follow-up questions:

- Will waiting until the preliminary contentions are served change the *Fintiv* calculus?
 - *Samsung Electronics America, Inc. v. RFCyber Corp.*, IPR2021-00980, Paper 11 (PTAB Dec. 15, 2021) (instituting review, in part, where “Petitioner filed its petition expeditiously after being served with Patent Owner’s infringement contentions”).
 - *Fintiv*, IPR2020-00019, Paper 11-12 (PTAB Mar. 20, 2020) (noting expeditious filing “such as promptly after becoming aware of the claims being asserted”).

Client Questions

Your Client Petitioner generally agrees with you to wait to file the petition until the preliminary contentions are served (option 3), but has a few follow-up questions:

1. Trial is likely to be scheduled to occur before the IPR hearing based upon the Eastern District's most recent scheduling orders.
2. Should we file a *Sotera* stipulation with the petition and give up our ability to argue defenses based on patents and printed publications raised in the IPR? Do we have to decide now?
 - *Interim Procedure for Discretionary Denials* at 3 (“Consistent with *Sotera Wireless, Inc.*, the PTAB will not discretionarily deny institution ... where a petitioner presents a stipulation not to pursue in a parallel proceeding the same grounds or any grounds that could have reasonably been raised before the PTAB.”)
 - *NXP USA, Inc. v. IMPINJ*, IPR2021-01556, Paper 13 (PTAB Sept. 7, 2022) (Director Review) (affirming denial of institution on rehearing where Petitioner filed *Sotera* stipulation *after institution denied*)

The *Sotera* Stipulation

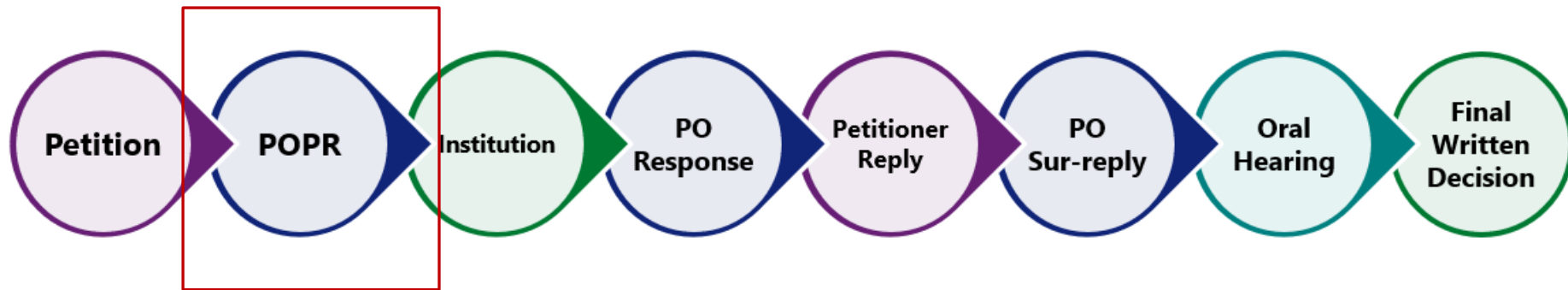
Defendants hereby stipulate that if the Patent Trial and Appeal Board institutes IPR on IPR2020-00912, IPR2020-00954, IPR2020-00967, IPR2020-01015, IPR2020-01019, IPR2020-01033, IPR2020-01054, IPR2020-01078, and/or IPR 2020-01082, then Defendants will not pursue in this case the specific grounds identified above in connection with the referenced patent(s) and claim(s) as originally issued on the instituted *inter partes* review petition, or on any other ground for a given patent for which the Board institutes, that was raised or could have been reasonably raised in an IPR (i.e., any ground that could be raised under §§ 102 or 103 on the basis of prior art patents or printed publications).

Client Questions

Your Client generally agrees with you to wait to file the Petition until the preliminary contentions are served (option 3), but has a few follow-up questions:

- The Trial Practice Guide says one petition should be sufficient. What if the Plaintiff/Patent Owner revises their infringement contentions after we file our petition and adds claims that avoid the IPR?
 - **35 U.S.C. § 315(b)** (providing that petition must be filed within one-year of service of complaint).
 - *Volkswagen Group of America v. Carucel Investments*, IPR2019-01573, Paper 7 at 8 (PTAB Jan. 22, 2020) (allowing a second petition when Patent Owner added claims in litigation).

POPR & Preliminary Replies



Rules on POPRs and Preliminary Replies

- **37 C.F.R. § 42.107** – patent owner may file a preliminary response to the petition preliminary response must be filed no later than 3 months after the NFDA
- **37 C.F.R. § 42.108(c)** – petitioner may seek leave to file a reply to the POPR; such request must show good cause.
- **37 C.F.R. § 42.23(b)** – reply may only respond to patent owner preliminary response; sur-reply may only respond to the reply.

Hypothetical II

You filed the petition for your Client Petitioner. Meanwhile, the EDPC Judge set trial to occur in 15 months from now.

In its POPR, aside from disputing the merits, Patent Owner raises 3 arguments:

- Your expert declaration should be disregarded because it largely “parrots” the Petition and is attorney argument.
- The Petition should be denied based on *Fintiv* because the trial is scheduled for about 3 months before a Final Written Decision.
- The Petition should be denied because you have since taken the position in in district court that the independent claims are indefinite.

Advice to Client

Your Client Petitioner is anxious to address some of the additional points Patent Owner has raised in its POPR. What advice do you give?

1. Don't worry about it. These arguments rarely get traction.
2. Email trials@uspto.gov, let the Board know that Patent Owner has made unsupported statements in its POPR, and request a 10-page Preliminary Reply to respond point-by-point.
3. Pick one or at most two important points you would like PTAB to consider, focusing specifically on what you could not have foreseen in the Petition, and confer with the Patent Owner on whether they would oppose a request to the Board for a short round of preliminary reply and sur-reply to address those points.
4. Other options?

Client Questions

Your Client Petitioner generally agrees with you about conferring with Patent Owner before seeking leave from the Board to file a targeted Reply to the POPR (option 3), but your Client Petitioner has a few follow-up questions:

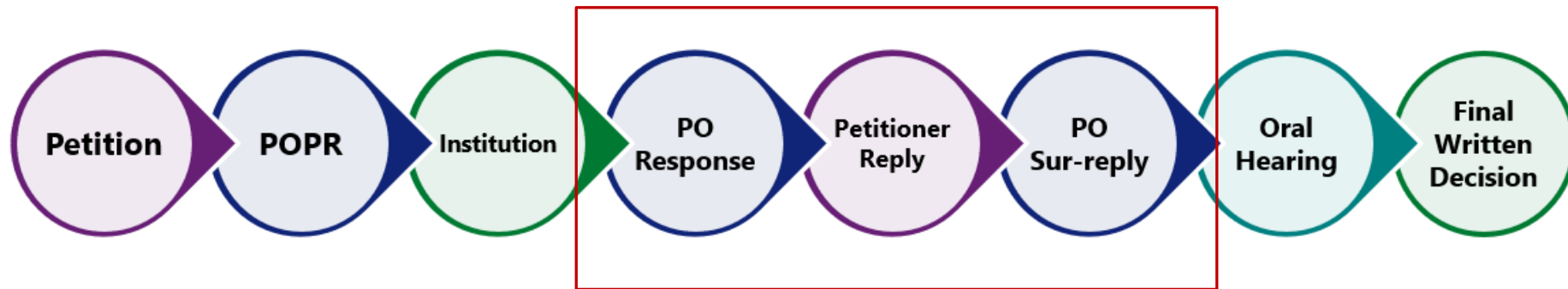
- Is there any downside to emailing the Board without consulting with Patent Owner first (option 2)?
 - **37 C.F.R. § 42.5(d)** – “Communication regarding a specific proceeding with a Board member as defined in 35 U.S.C. § 6(a) is not permitted unless both parties have an opportunity to be involved in the communication.”
 - **Consolidated Trial Practice Guide (Nov. 2019) § I.A.2 (page 9)**
 - “The Board encourages the use of conference calls to raise and resolve issues in an expedited manner. Prior to making a request for a conference call, the parties should meet and confer to resolve any disputes. If attempts to resolve the dispute fail, a party may request a conference call with the Board.”

Client Questions

Your Client Petitioner generally agrees with you about conferring with Patent Owner before seeking leave from the Board to file a targeted Reply to the POPR (option 3), but your Client Petitioner has a few follow-up questions:

- What issues raised by the Patent Owner in the POPR should be addressed in an email request to the Board?
 - *Samsung v. Power2B*, IPR2021-01190, Paper 9 (PTAB Nov. 12, 2021) (granting a preliminary reply to address district court claim constructions arising after the petition)
 - *Equipmentsshare.com Inc. v. Ahern Rentals, Inc.*, IPR2021-00834 Paper 50, at 18 (PTAB Nov. 10, 2022) (agreeing with Patent Owner that expert testimony that closely mirrors the language in a petition, without more “is not necessarily deficient or entitled to no weight. . . . [W]e evaluate the specific testimony of an expert to determine the amount of weight attributable to that testimony”).

New Arguments/Evidence and Motion to Strike



Rule and Guidance on Motions

- **37 C.F.R. § 42.20(b)** – motions generally will not be entered without prior Board authorization.
- **Consolidated Trial Practice Guide § II.K (page 80)**
 - “If a party believes that a brief filed by the opposing party raises new issues, is accompanied by belatedly presented evidence, or otherwise exceeds the proper scope of reply or sur-reply, it may request authorization to file a motion to strike.”

CLE Code

Hypothetical III

The Board institutes the IPR. Your client is now Patent Owner.

In the PO Response (POR), you argue that Petitioner's obviousness references, Fineman and Eastman, cannot be combined because the embodiment in Eastman that Petitioner relied on would render Fineman inoperable.

In the Petitioner Reply, Petitioner argues that you are wrong about the combinability of Fineman and Eastman, but Petitioner also cites to a different embodiment of Eastman that works a little differently and is not as vulnerable to Patent Owner's inoperability argument. Petitioner's expert submitted a supporting opinion on this different embodiment in a reply declaration.

Advice to Client

Your Client Patent Owner wants to know whether to move to strike the argument and testimony regarding the different embodiment and new testimony that Petitioner raised. What advice do you give?

1. No. Reliance on the different embodiment and new testimony is not improper because it's the same reference (Eastman).
2. Yes. Reliance on the different embodiment and new testimony is improper and a winning argument for a motion to strike.
3. Maybe. Reliance on the different embodiment and new testimony is a close call, a motion to strike may not be successful, and consequently it may be best to respond on the merits.
4. Other options?

Client Questions

Your Client Patent Owner agrees this is a close call, but has some follow-on questions about your advice:

- **What are the downsides of filing a motion to strike?**
 1. Additional expense of 2 additional papers
 - 37 CFR §§ 42.22 and 42.23 (separately filed motion and reply to opposition)
 2. Rarely granted
 - “In most cases, the Board is capable of identifying new issues or belatedly presented evidence ***As such, striking the entirety or a portion of a party’s brief is an exceptional remedy that the Board expects will be granted rarely.***” Consolidated Trial Practice Guide (page 80).
 3. Gives additional oxygen to the new argument

Client Questions

Your Client Patent Owner agrees this is a close call, but has some follow-on questions about your advice:

- **Is there another option?**
 - Cross-examination and address on the merits in Patent Owner Sur-Reply.
 - “If a party submits a new expert declaration with its reply, the opposing party may cross-examine the expert...” Consolidated Trial Practice Guide (page 73).
 - See *Apple v. e-Watch*, IPR2015-00412, Paper 50 at 43-44 (May 6, 2016) (“In their Reply, Petitioners switch gears and make two new contentions with regard to Umezawa. ... ‘Respond,’ in the context of 37 C.F.R. § 42.23(b), does not mean embark in a new direction with a new approach as compared to the position originally taken in the Petition.”).

Client Questions

Your Client Patent Owner agrees this is a close call, but has some follow-on questions about your advice:

- What are examples of winning motions to strike?
 1. New, untranslated exhibit with little or no opportunity to otherwise address on the merits. See *Samsung Elecs. Ltd. v. Kannuu Pty.*, IPR2020-00738, Paper 100 at 9-17 (PTAB Sept. 21, 2021) (striking exhibit and argument concerning an untranslated exhibit first a day before a corporate representative deposition and nearly a year after knowing the subject of the document was relevant to secondary considerations).
 2. Unauthorized declaration filed with sur-reply. See *Shenzhen Chic Elecs. Co. v. Pilot*, IPR2021-01232, Paper 20 (Sept. 22, 2022) (granting-in-part).

Thank You!