

Overview of USPTO PTAB proceedings

Patent Trial and Appeal Board State of the Board

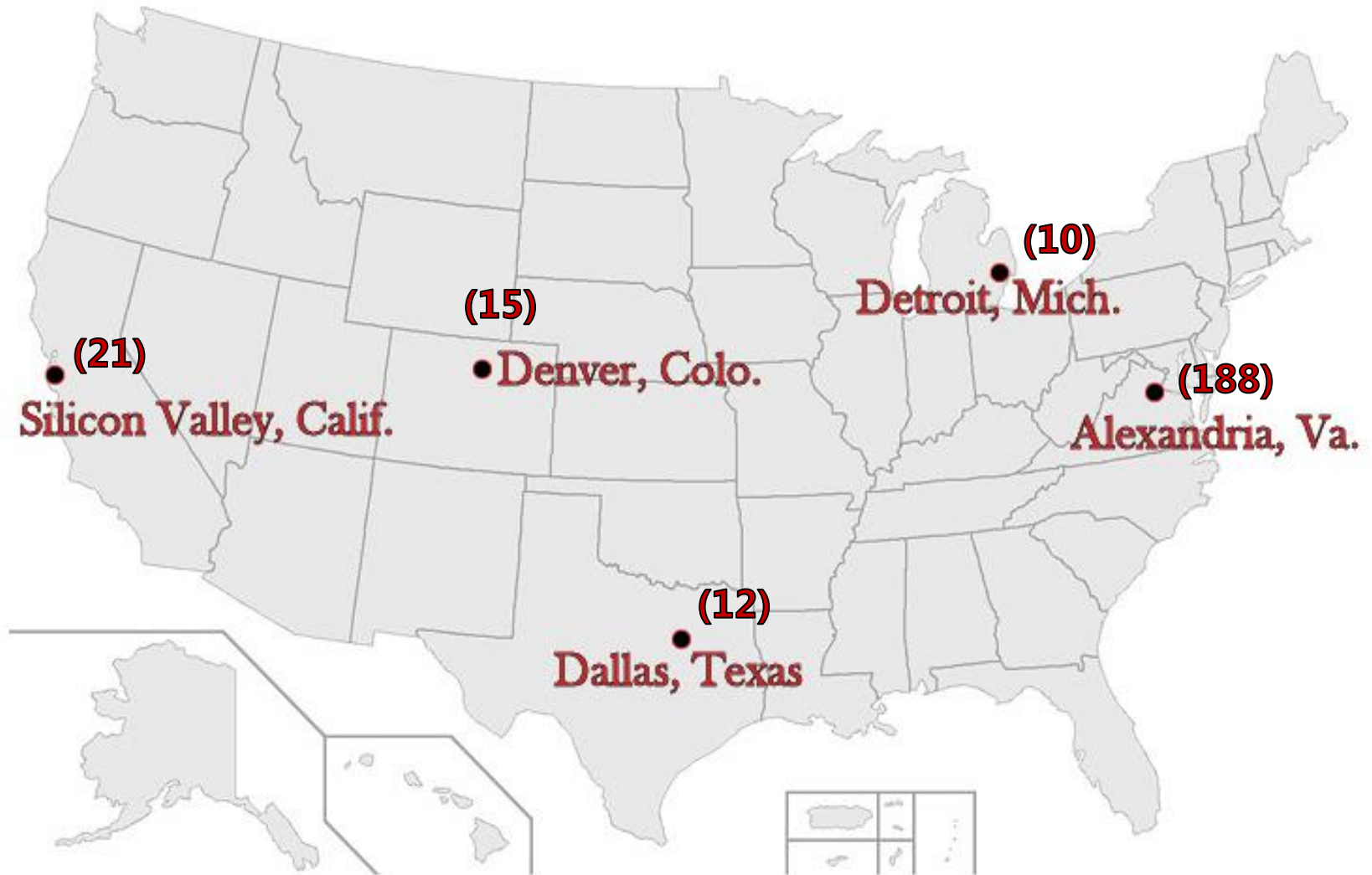
Acting Deputy Chief Judge Scott R. Boalick

Lead Judge Susan L.C. Mitchell

UNITED STATES
PATENT AND TRADEMARK OFFICE

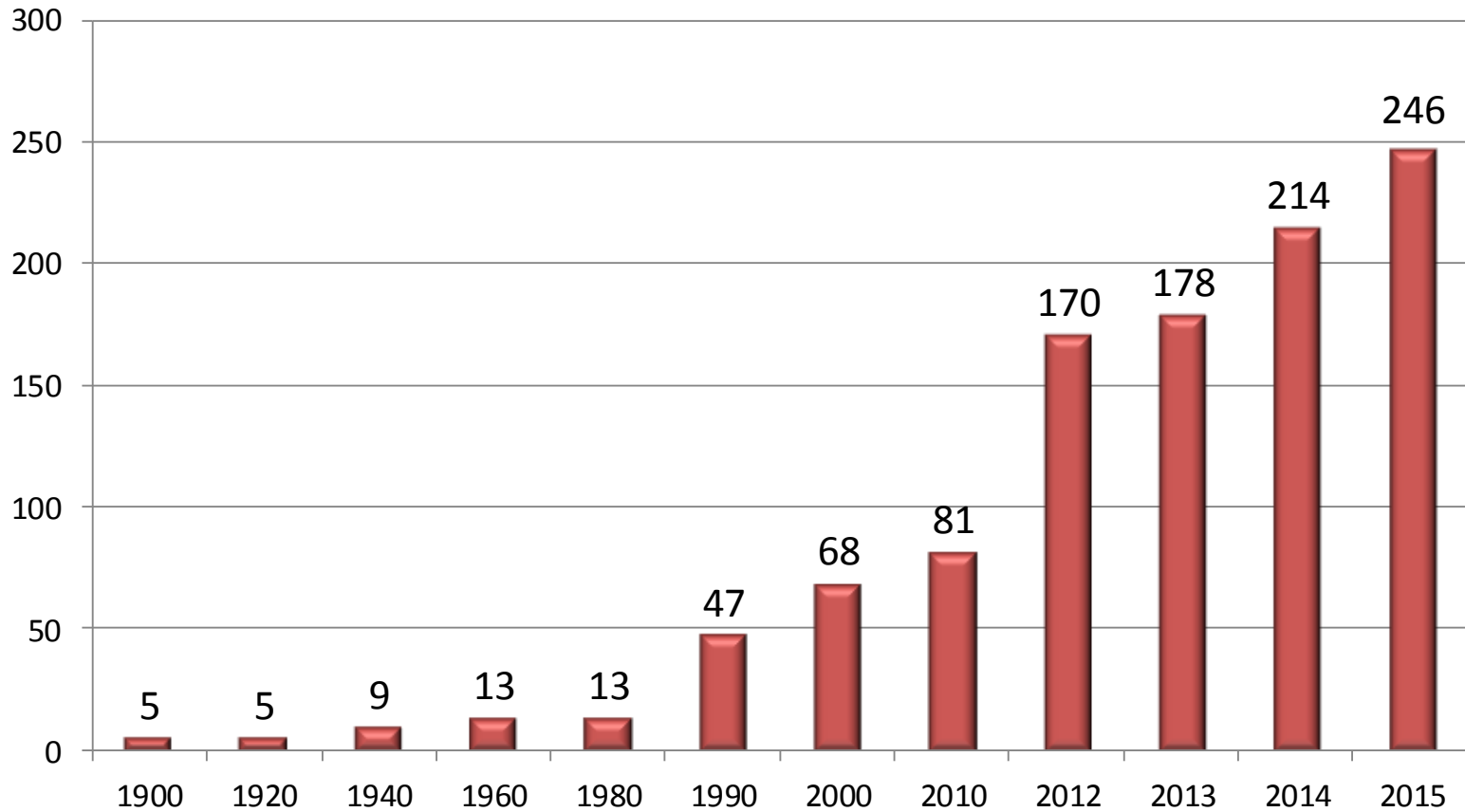


USPTO Locations



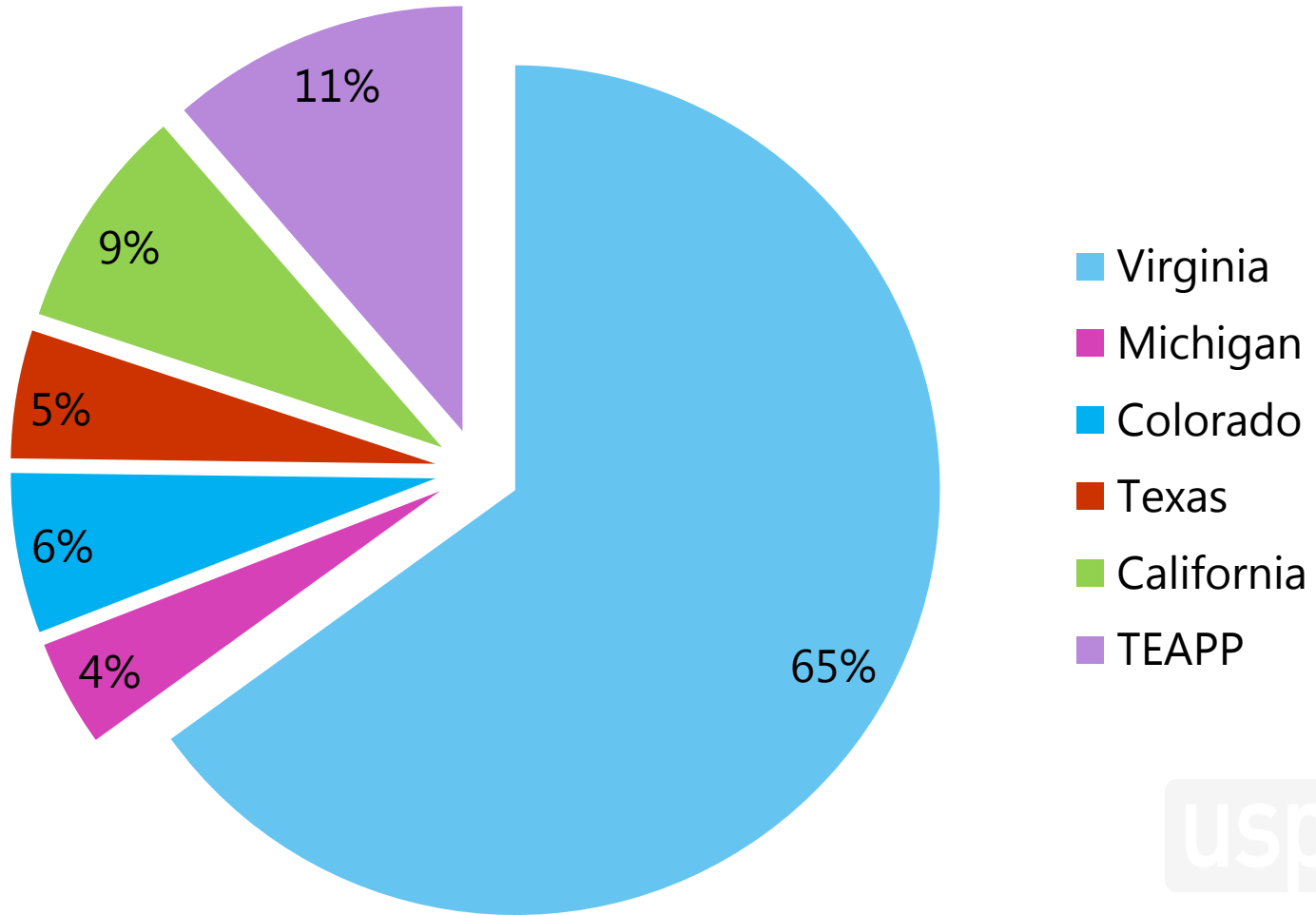
*Alexandria, Va. count includes judges who participate in TEAPP.

Board Size Over Time



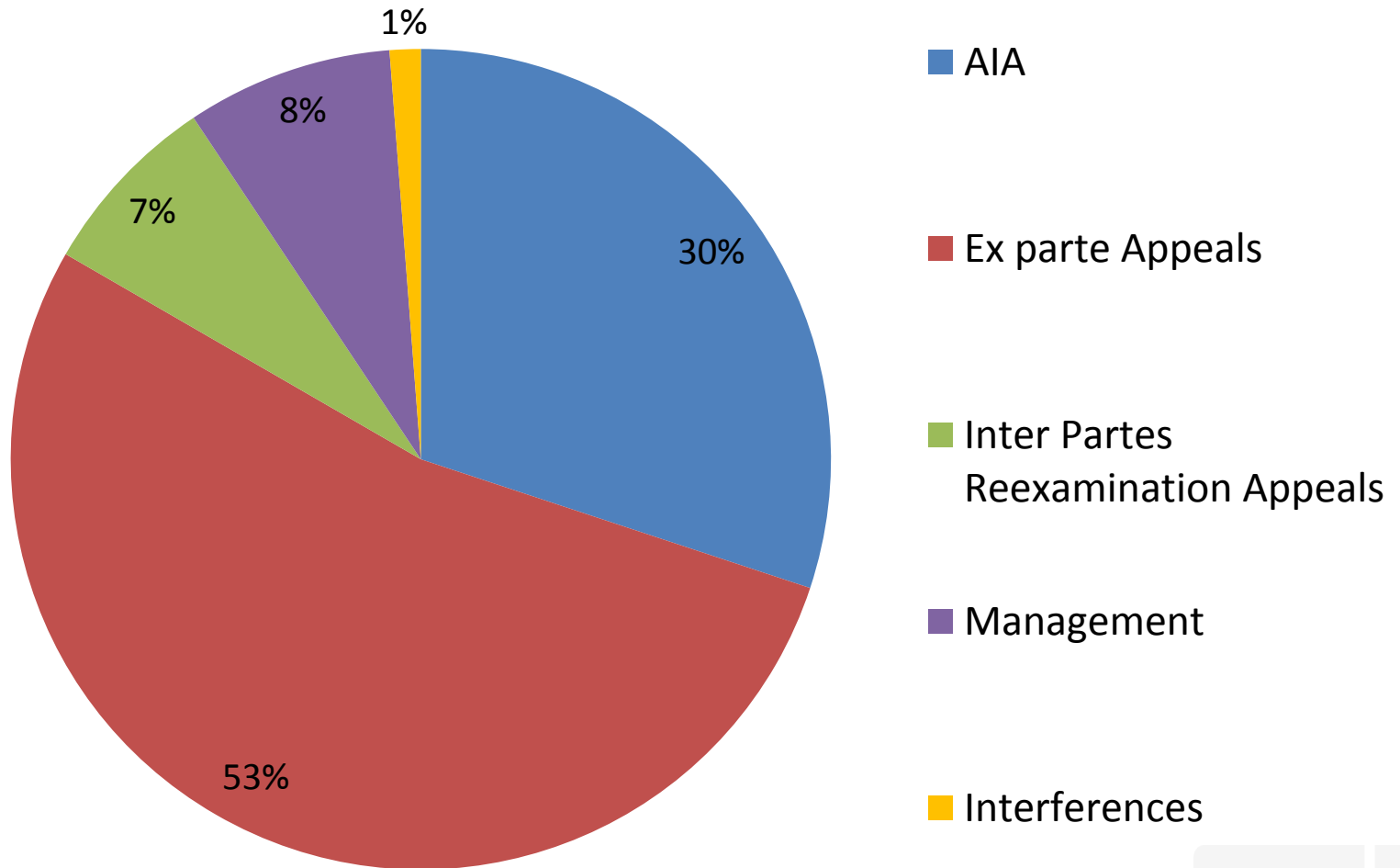
PTAB Office Location Demographics

as of November 16, 2015



Allocation of Duties Among Judges

as of November 16, 2015



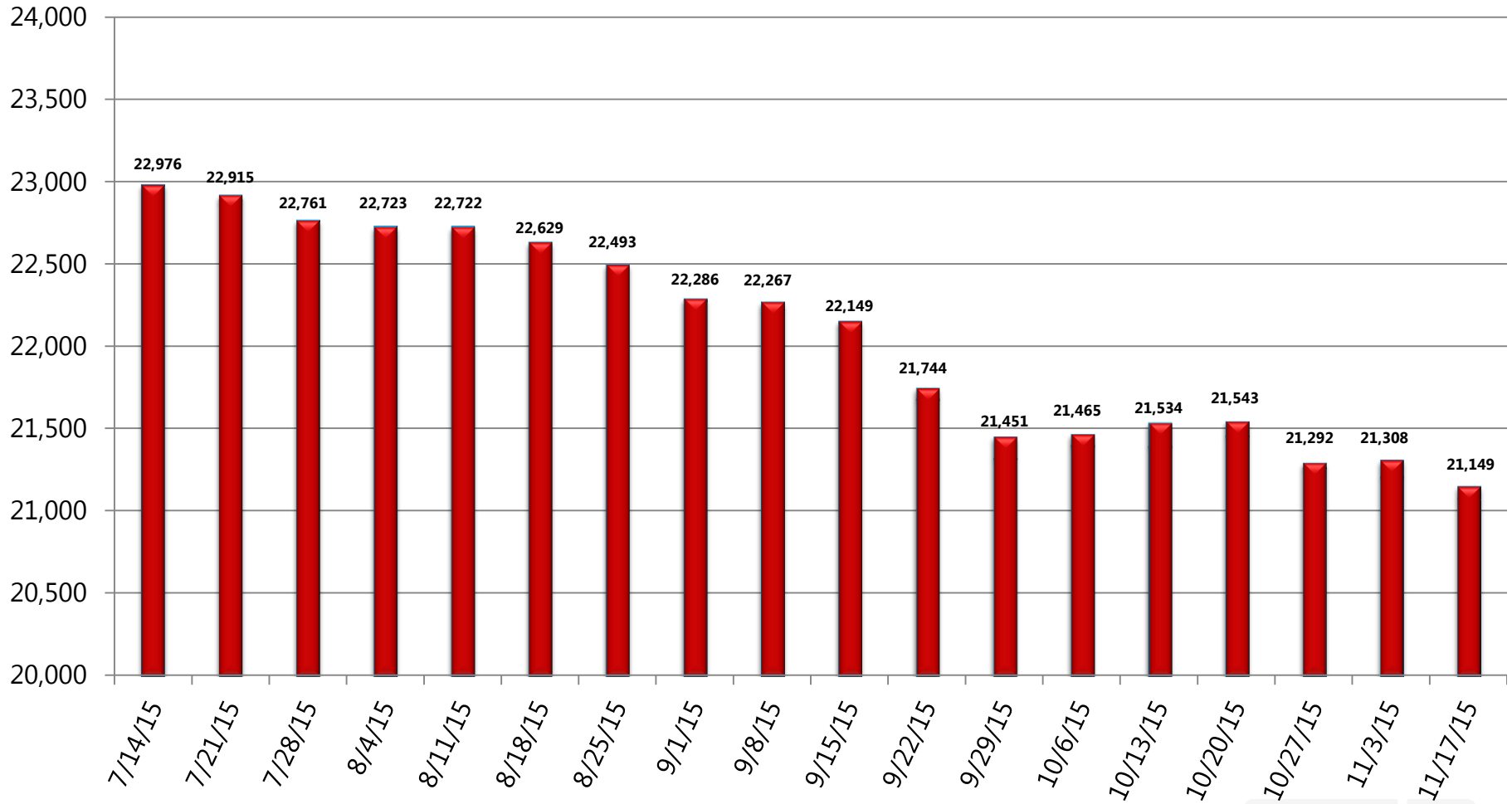
Appeals Statistics

PTAB Receipts and Dispositions

Period: 09/27/2015 thru 10/27/2015

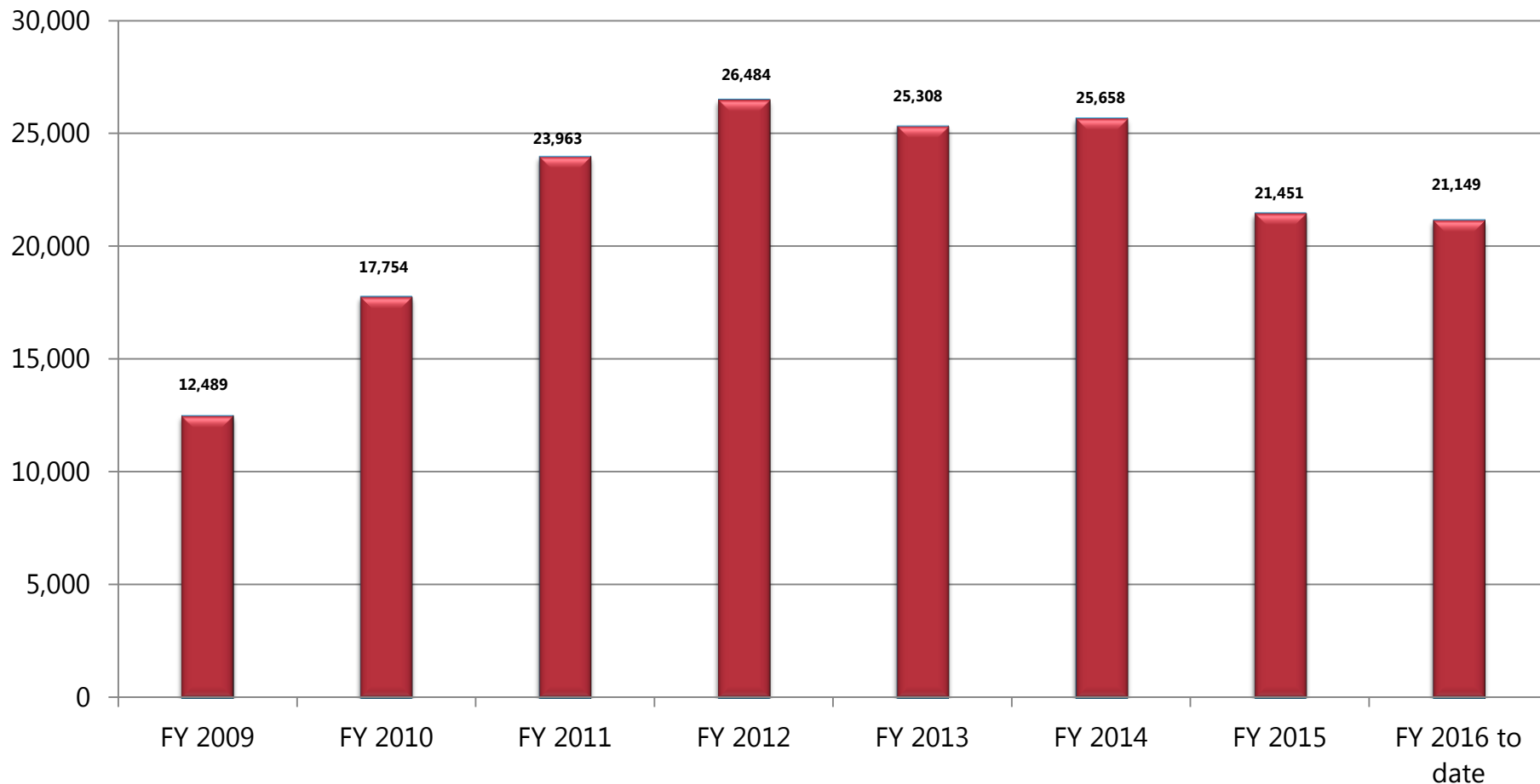
Discipline	# Cases Received	# Cases Disposed	Difference (Disposed minus Received)
Biotech	68	64	-4
Business Methods	73	70	-3
Chemical	121	110	-11
Contested Cases	7	35	28
Design	2	2	0
Electrical	255	505	250
Mechanical	213	197	-16
Totals	739	983	244

PTAB Inventory – Pending Ex Parte Appeals (excluding appeals from reexamination proceedings)

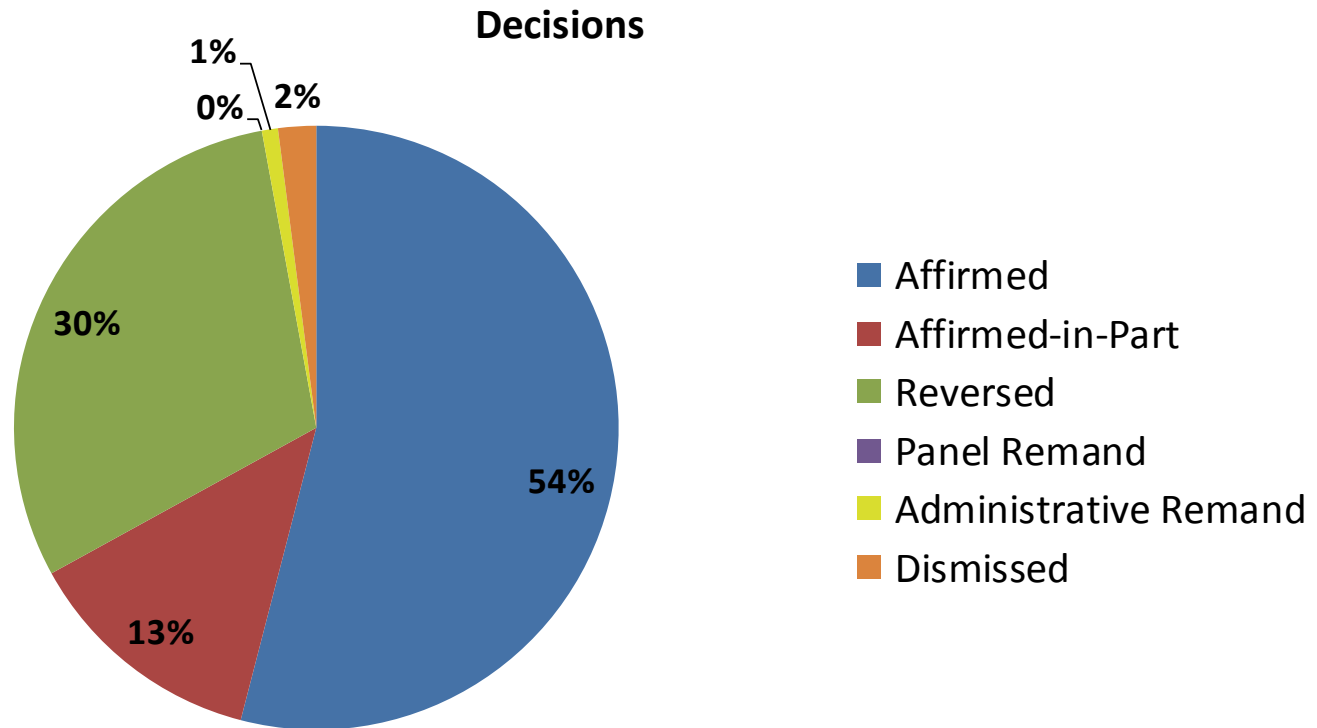


PTAB Inventory – Pending Ex Parte Appeals

(excluding appeals from reexamination proceedings)



Decisions by Type: FY2014



Expedited Patent Appeal Pilot (EPAP)

- *Ex parte* appeal accorded special status when another is withdrawn
- Pilot effective June 19, 2015 for up to a year
- Timing Goal - 2 months to decide petition & 4 months from the date of petition grant to decide appeal
- Data through November 16, 2015: 22 petitions filed (20 granted and 2 denied); Average time to decide petition approximately 2 days

Small Entity Pilot Program

- Published 09/16/2015
- Provides opportunity for small entities to secure expedited review
- Small entities with a single pending appeal
- Agree to review based on one claim
- No rejections under §112
- Timing Goal - 2 months to decide petition & 4 months from the date of petition grant to decide appeal
- Data through November 16, 2015: 12 petitions filed (8 granted and 4 denied); Average time to decide petition approximately 2 days

Pendency of Decided Appeals

(from 10/1/2014 through 7/31/2015)

Discipline	Technology Center	Number of Decisions	Pendency from PTAB Docketing to Decision (Months)
Biotech	1600	395	32.4
Chemical	1700	1152	24.9
Electrical	2100	1490	31.7
	2400	1698	31.4
	2600	1305	31.3
	2800	626	27.0
Designs	2900	20	26.2
Mech/Bus Methods	3600	1671	31.6
	3700	1389	30.1
Reexams	3900	218	6.0
Total Average		9,964	29.7

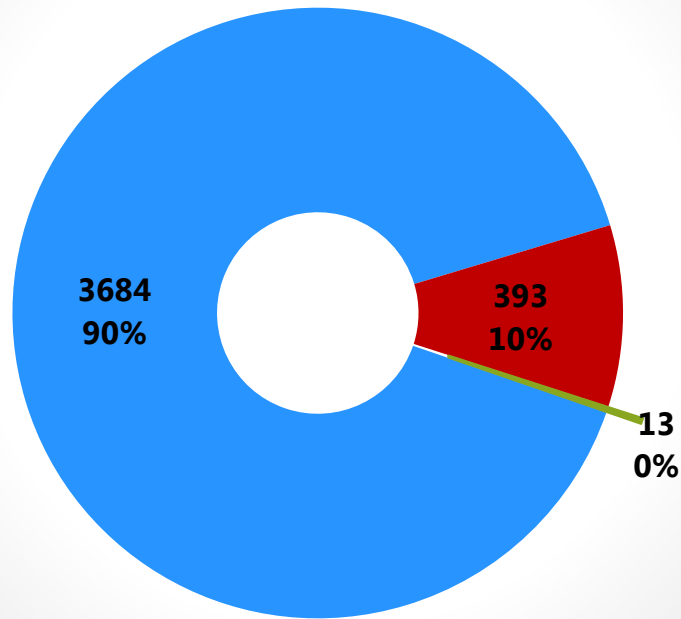
AIA Statistics

Comparison by Technology Center of FY 2014 AIA Filings v. Patent Grants

TC	AIA Filings	Patent Grants
1600	90	24,669
1700	107	31,863
2100	188	24,422
2400	114	30,983
2600	223	40,445
2800	289	70,281
2900	3	22,452
3600	226	38,160
3700	156	42,931
Other	98	176
Total	1,494	326,382

4090 Total AIA Petitions*

Cumulative from 09/16/2012



■ Total IPR Petitions ■ Total CBM Petitions ■ Total PGR Petitions

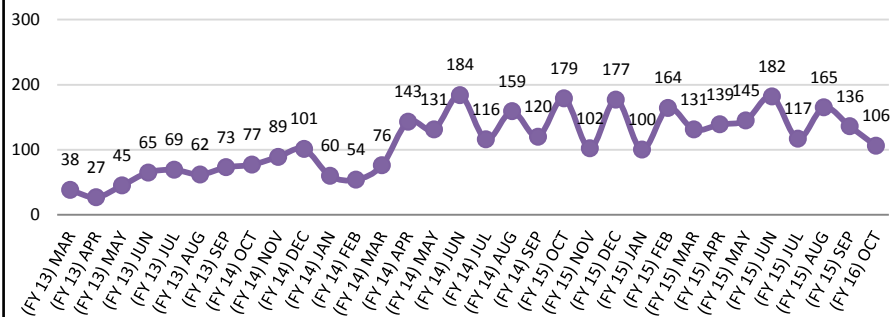
Narrative:

This pie chart shows the total number of cumulative AIA petitions filed to date broken out by trial type (i.e., IPR, CBM, and PGR).

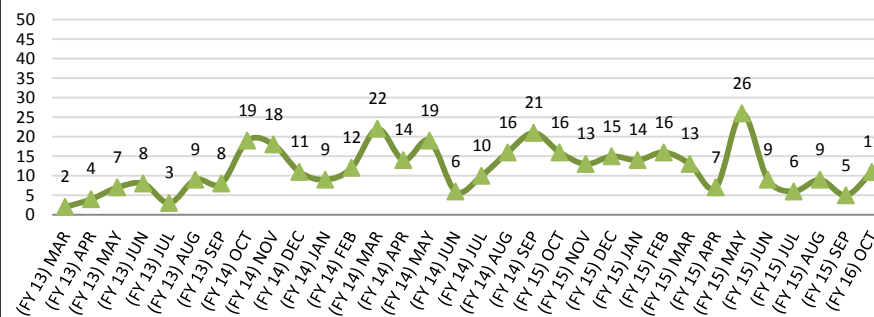
***Data current as of: 10/31/2015**



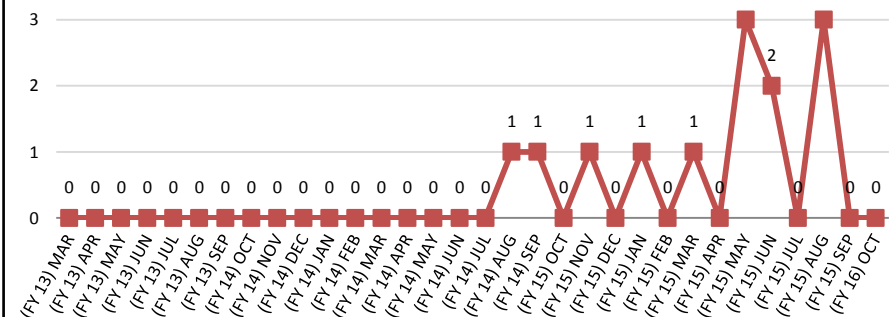
Number of IPR Petitions Filed by Month*



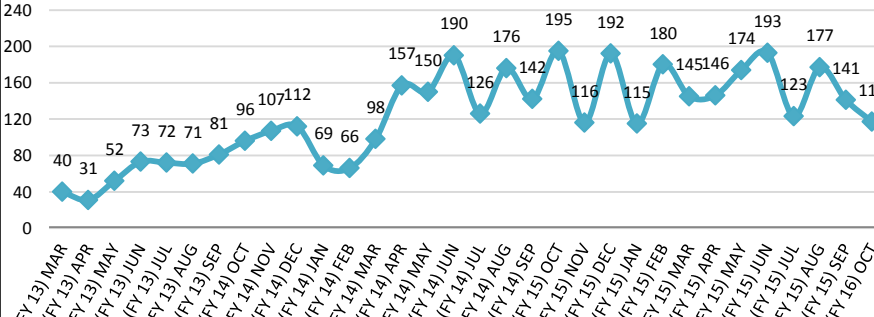
Number of CBM Petitions Filed by Month*



Number of PGR Petitions Filed by Month*



Number of TOTAL Petitions Filed by Month*



Narrative:

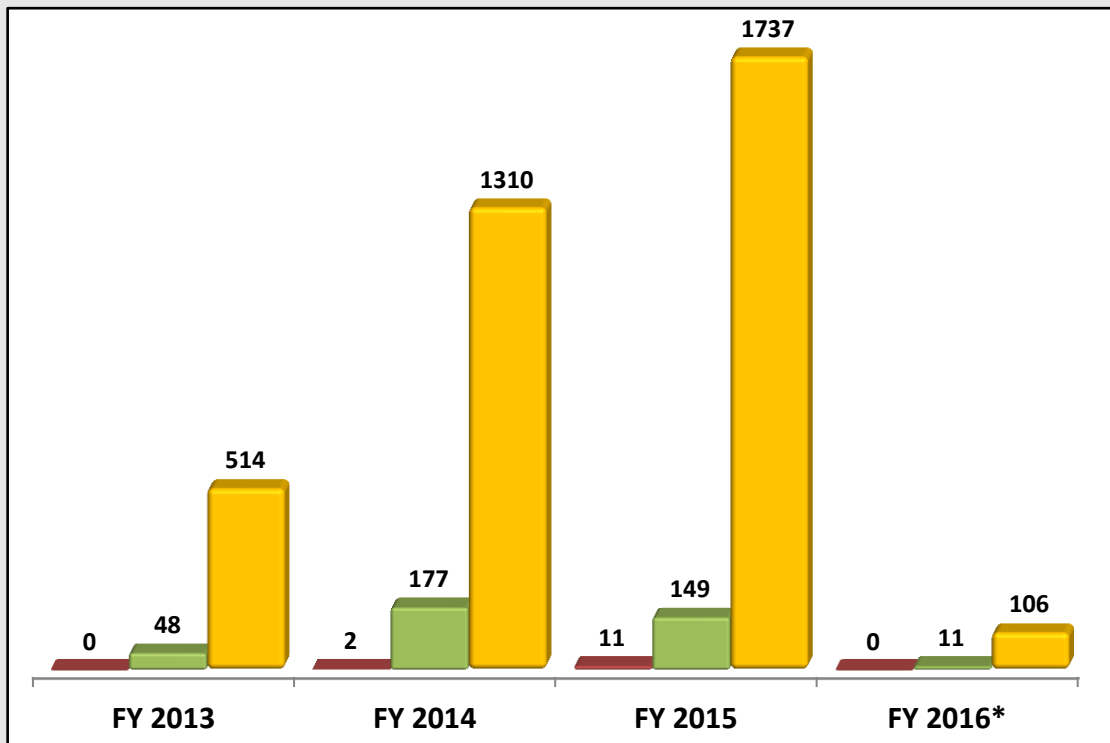
These line graphs display the number of IPR, CBM, and PGR petitions filed each month and the total number of all petitions filed each month from the effective date of the AIA trial provisions.

*Data current as of: 10/31/2015



Number of AIA Petitions Filed by Fiscal Year by Type

■ PGR ■ CBM ■ IPR



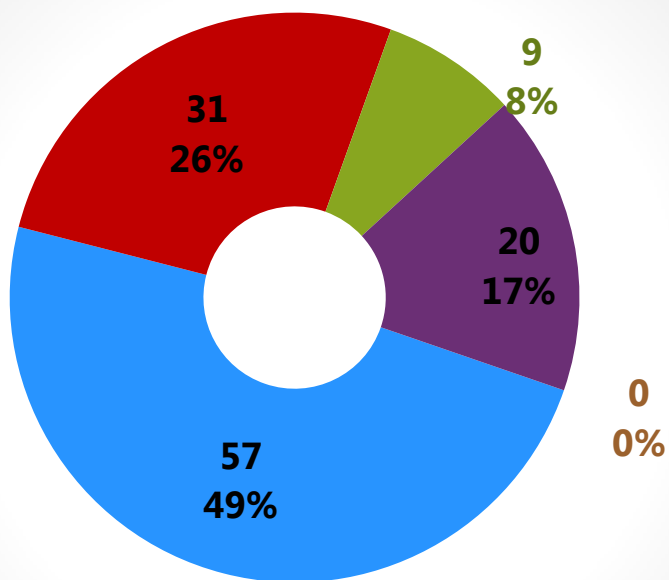
Narrative:

This bar graph depicts the number of AIA petitions filed each fiscal year, with each bar showing the filings for that fiscal year by trial type (i.e., IPR, CBM, and PGR).

***Data current as of: 10/31/2015**



117 Total AIA Petitions in FY 16* (Technology Breakdown)



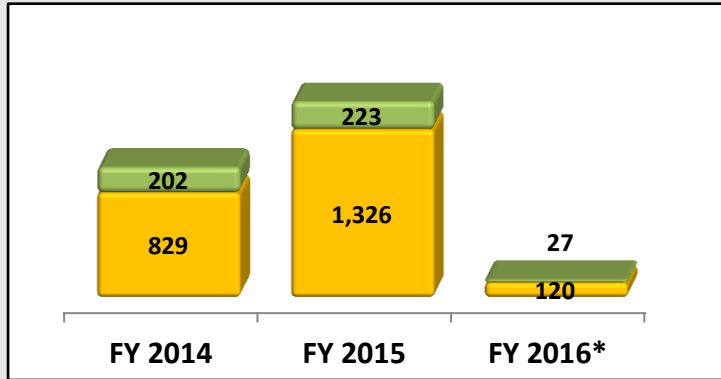
- Electrical/Computer - TCs 2100, 2400, 2600, 2800
- Mechanical/Business Method - TCs 3600, 3700
- Chemical - TC 1700
- Bio/Pharma - TC 1600
- Design - TC 2900

Narrative:

This pie chart shows the total number of AIA petitions filed in the current fiscal year to date as well as the number and percentage of these petitions broken down by technology.

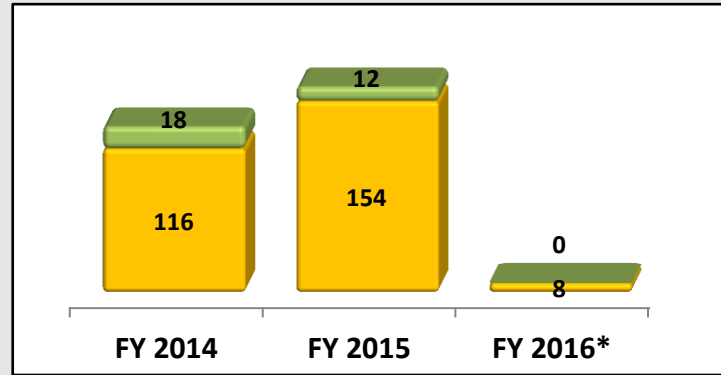
***Data current as of: 10/31/2015**

IPR - Number of Patent Owner Preliminary Responses by Fiscal Year



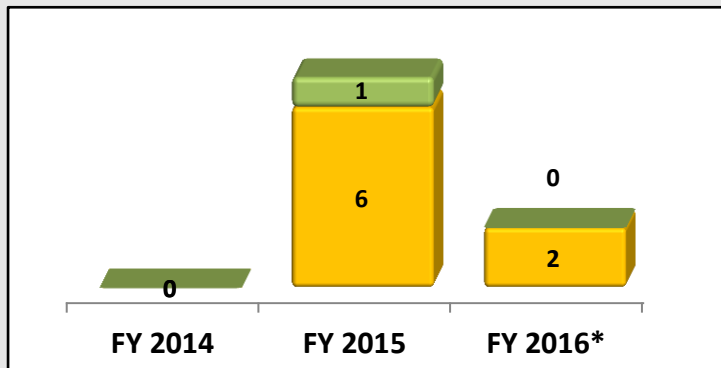
■ Filed ■ Waived/Not Filed

CBM - Number of Patent Owner Preliminary Responses by Fiscal Year



■ Filed ■ Waived/Not Filed

PGR - Number of Patent Owner Preliminary Responses by Fiscal Year



■ Filed ■ Waived/Not Filed

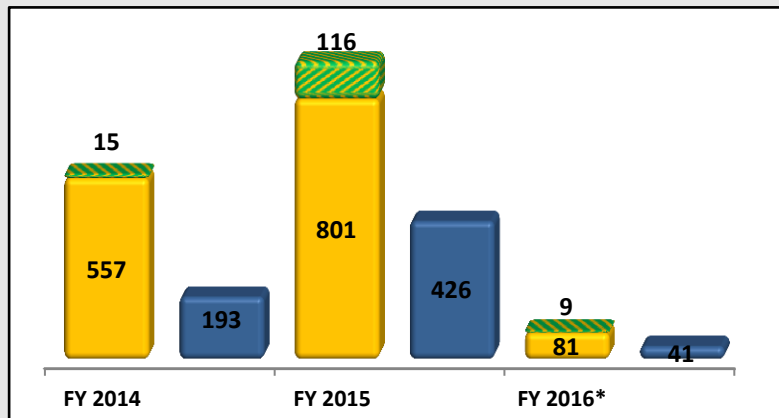
Narrative:

These three sets of bar graphs show the number of patent owner preliminary responses filed and waived/not filed each fiscal year in IPR, CBM, and PGR proceedings.

***Data current as of: 10/31/2015**

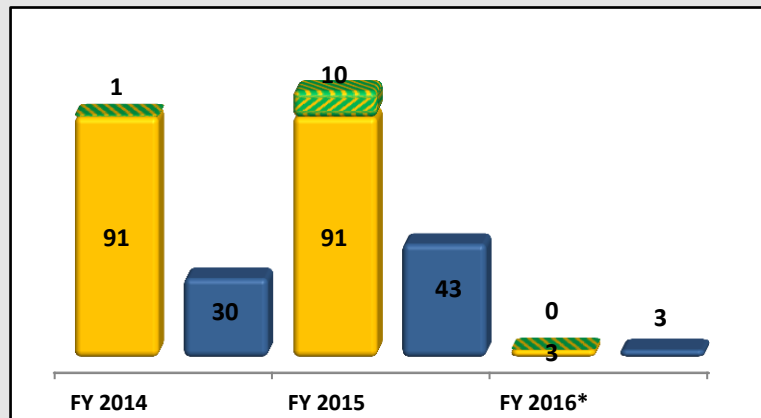


IPR - Number of Decisions On Institution Per Fiscal Year by Outcome



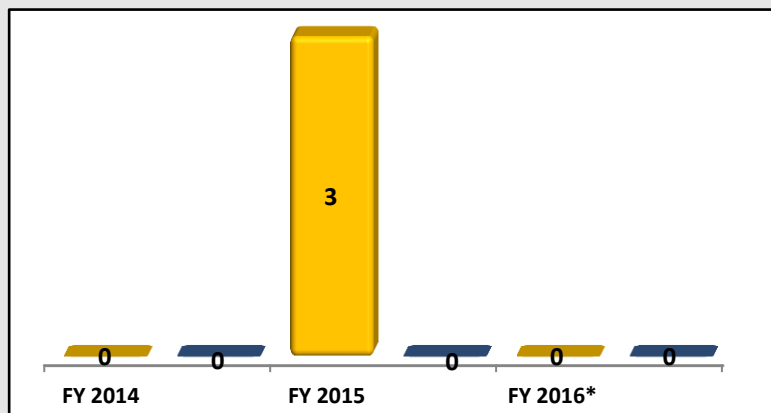
■ Instituted ■ Joinders ■ Denials

CBM - Number of Decisions On Institution Per Fiscal Year by Outcome



■ Instituted ■ Joinders ■ Denials

PGR - Number of Decisions On Institution Per Fiscal Year by Outcome



■ Instituted ■ Joinders ■ Denials

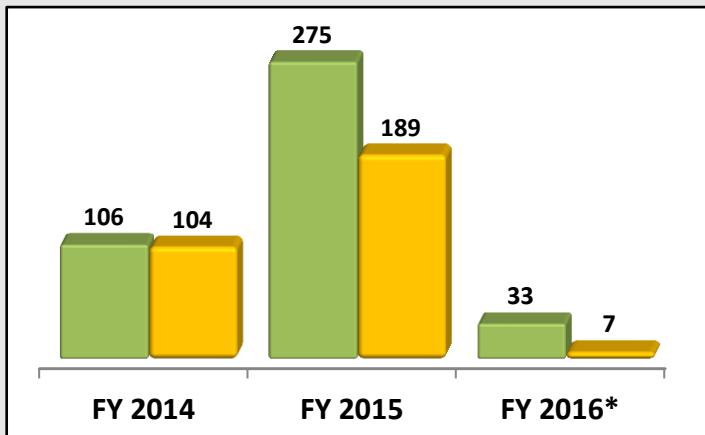
Narrative:

These three sets of bar graphs show the number of decisions on institution by fiscal year broken out by trials instituted (including joinders) and trials denied in IPR, CBM, and PGR proceedings. A trial that is instituted in part is counted as an institution in these bar graphs.

***Data current as of: 10/31/2015**

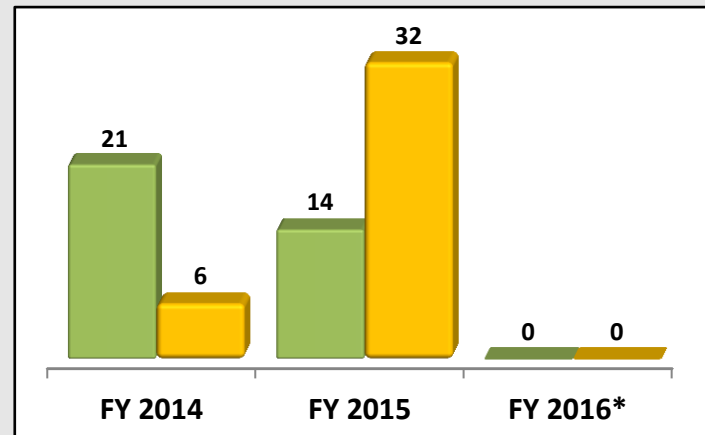


IPR - Settlements



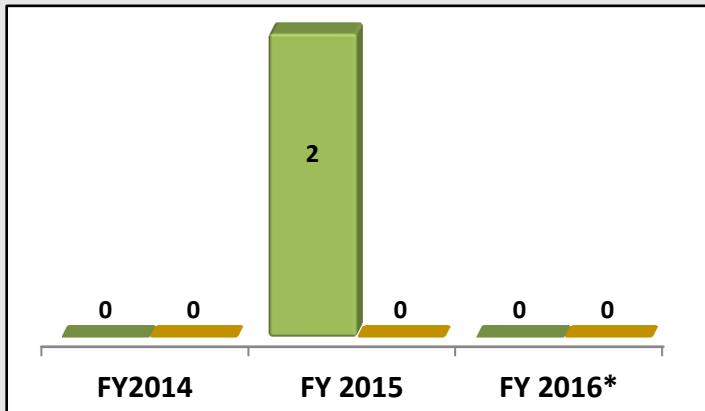
■ Settled Before Institution ■ Settled After Institution

CBM - Settlements



■ Settled Before Institution ■ Settled After Institution

PGR - Settlements



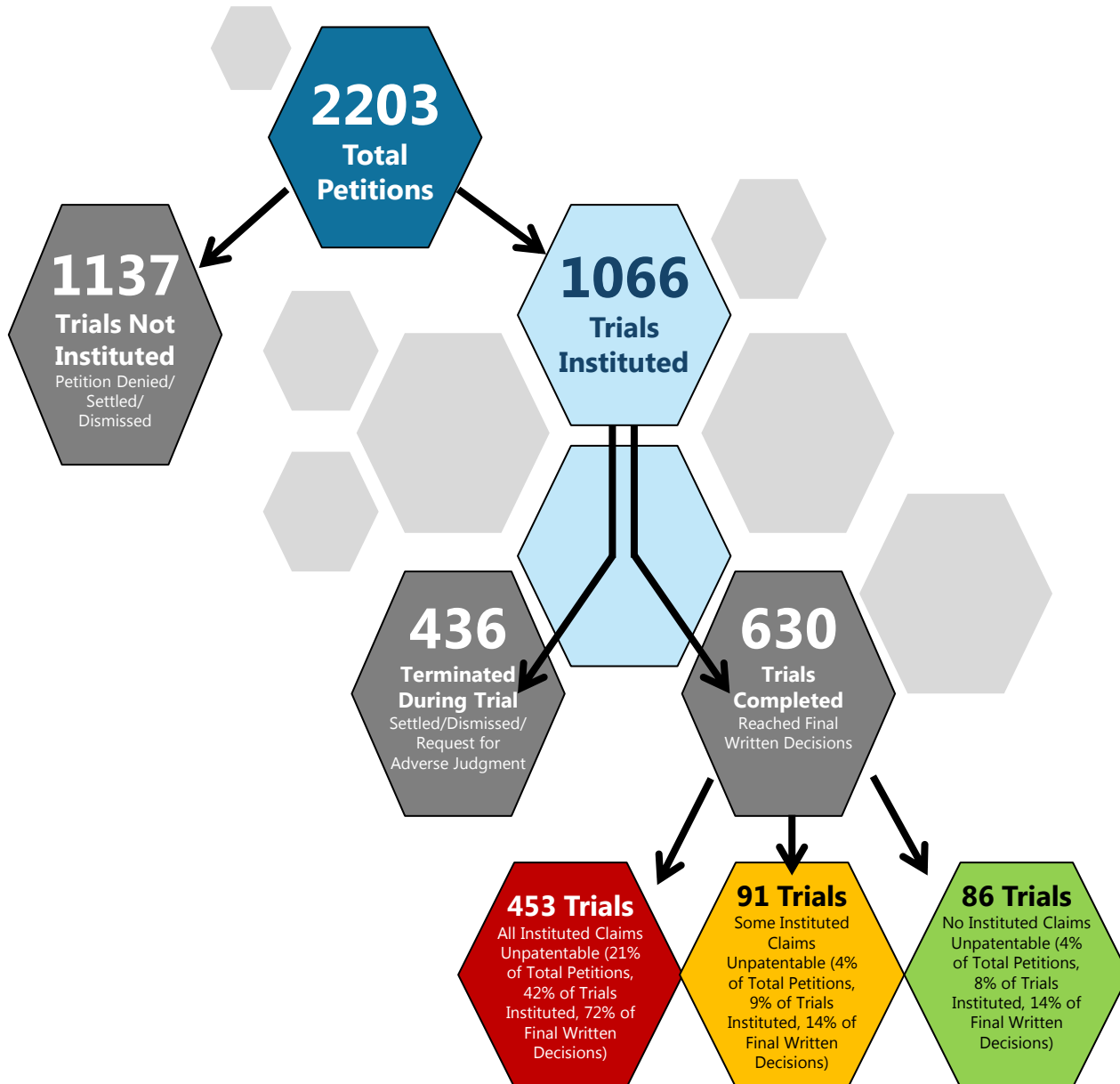
■ Settled Before Institution ■ Settled After Institution

Narrative:

These three sets of bar graphs show settlements in AIA trials broken down by settlements that occurred prior to institution and settlements that occurred after institution in IPR, CBM, and PGR proceedings.

***Data current as of: 10/31/2015**

Disposition of IPR Petitions Completed to Date*



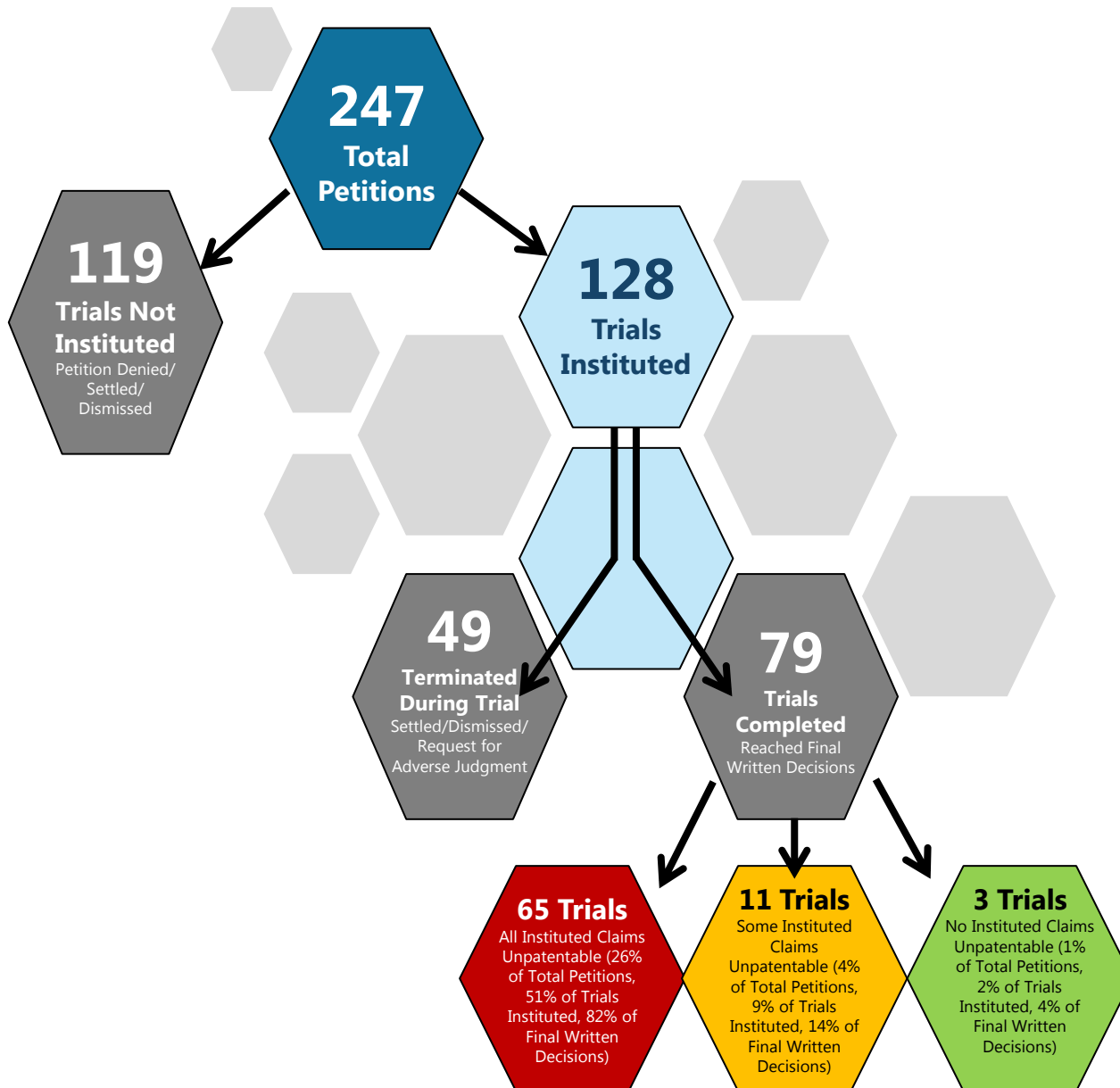
Narrative:

This graph shows a stepping stone visual depicting the outcomes for all IPR petitions filed to-date that have reached a final disposition.

*Data current as of: 10/31/2015



Disposition of CBM Petitions Completed to Date*



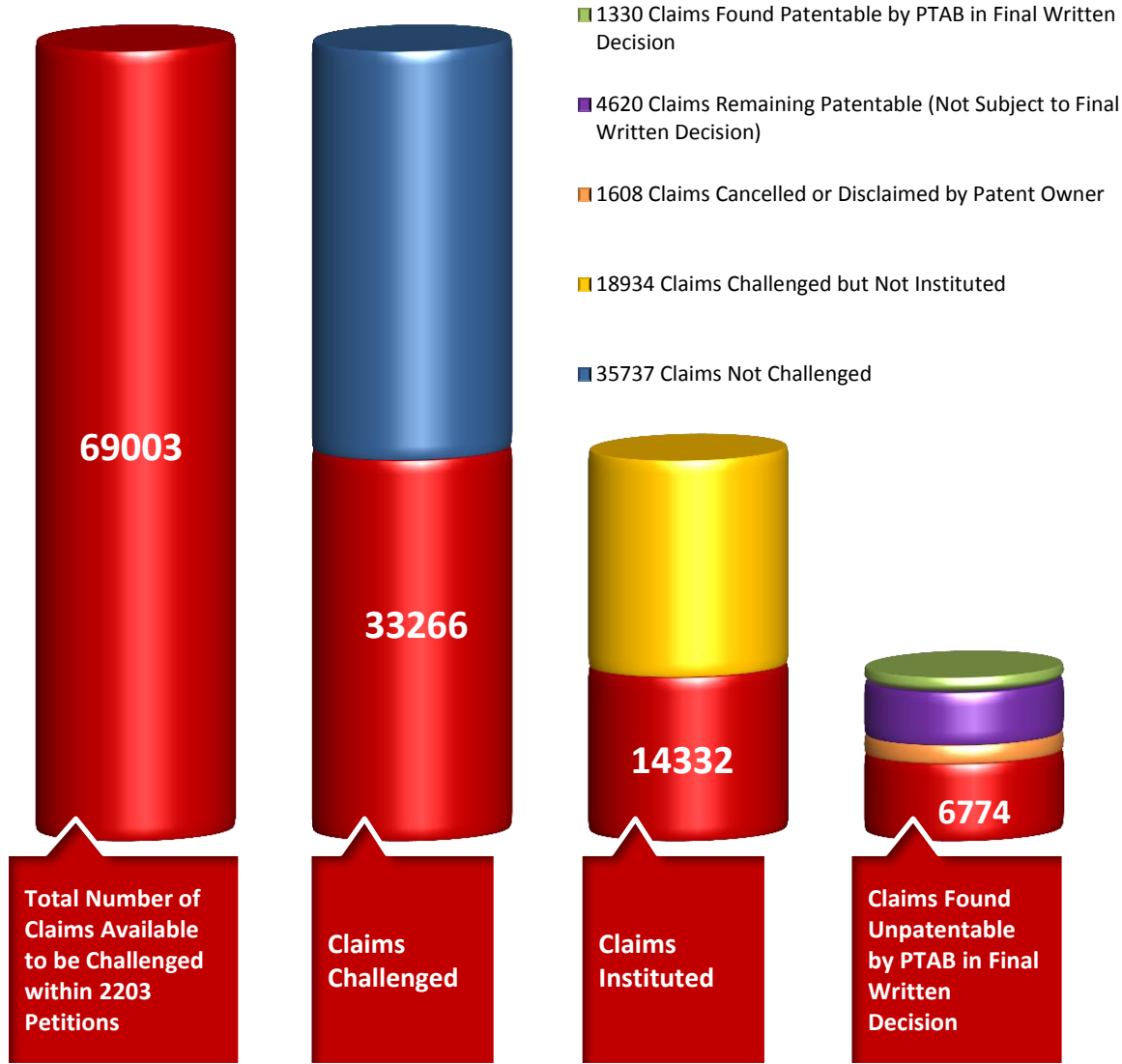
Narrative:

This graph shows a stepping stone visual depicting the outcomes for all CBM petitions filed to-date that have reached a final disposition.

*Data current as of: 10/31/2015



IPR Petitions Terminated to Date*



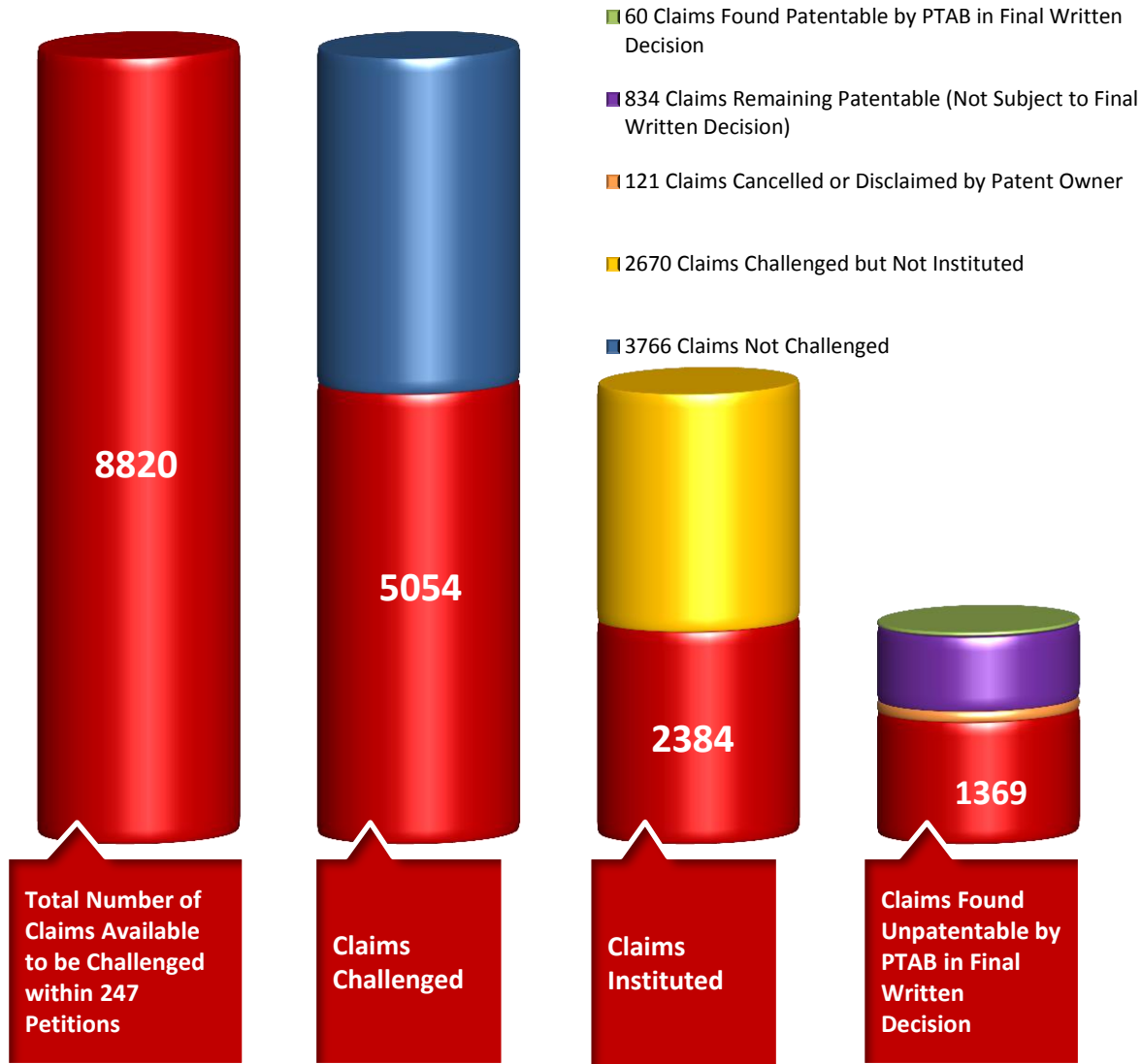
Narrative:

This visual contains four cylinders. The first cylinder shows the total number of claims available to be challenged in the IPR petitions filed. The second cylinder shows the number of claims actually challenged and not challenged. The third cylinder shows the number of claims on which trial was instituted and not instituted. The fourth cylinder shows the total number claims found unpatentable in a final written decision, the number of claims canceled or disclaimed by patent owner, the number of claims remaining patentable (not subject to a final written decision), and the number of claims found patentable by the PTAB.

Note: "Completed" petitions include terminations (before or after a decision on institution) due to settlement, request for adverse judgment, or dismissal; final written decisions; and decisions denying institution.

***Data current as of: 10/31/2015**

CBM Petitions Terminated to Date*



Narrative:

This visual contains four cylinders. The first cylinder shows the total number of claims available to be challenged in the CBM petitions filed. The second cylinder shows the number of claims actually challenged and not challenged. The third cylinder shows the number of claims on which trial was instituted and not instituted. The fourth cylinder shows the total number claims found unpatentable in a final written decision, the number of claims canceled or disclaimed by patent owner, the number of claims remaining patentable (not subject to a final written decision), and the number of claims found patentable by the PTAB.

Note: "Completed" petitions include terminations (before or after a decision on institution) due to settlement, request for adverse judgment, or dismissal; final written decisions; and decisions denying institution.

*Data current as of: 10/31/2015

Recent Developments

Recent Developments

- Motions-to-Amend
- AIA Rulemaking
- Request for Comments on proposed Single Judge Pilot Program

Motions-to-Amend

- *MasterImage 3D, Inc. v. RealD Inc.*, Case IPR2015-00040 (PTAB July 15, 2015) (Paper 42) (representative).
 - Clarified earlier *Idle Free* decision
 - Patent Owner must show patentable distinction over prior art of record (in the proceeding; in the prosecution history; in any other proceeding involving the same patent)
 - Duty of candor and good faith in the Office may lead to additional prior art made of record by the Patent Owner when moving to amend

AIA Rulemaking

- In response to stakeholder requests, the Office moved forward with two rule packages:
 1. A first final rule package that encompassed less difficult “quick-fixes” based upon both stakeholder comments and internal PTAB suggestions, including more pages for briefing for motions to amend and for petitioner’s reply brief; and
 2. A second proposed rule package that published August 20, 2015.
- The second proposed rule package addresses the remaining issues raised in comments received from the public, as well as providing more guidance concerning our growing experience with AIA proceedings.
- The period for public comment closed on November 18, 2015. The Office will issue a final rule, responding to these comments, and also issue a revised Office Patent Trial Practice Guide reflecting guidance concerning our current practice in handling AIA proceedings.

AIA Rulemaking

In the second proposed rule package, the Office:

- Proposes to allow patent owners to include, with their opposition to a petition to institute a proceeding, new testimonial evidence such as expert declaration, responding to commentary raising concerns that patent owners are disadvantaged by current rules letting petitioners' evidence go unanswered before a trial is instituted
- Proposes a new requirement on practitioners before the PTAB, akin to the Rule 11 requirements in federal courts, that would give the USPTO a more robust means with which to police misconduct
- Proposes to clarify that the PTAB will use the claim construction standard used by district courts for patents that will expire during proceedings and therefore cannot be amended, while confirming the use of broadest reasonable interpretation (BRI) for all other cases
- Notes the PTAB's development of motions-to-amend practice through its own body of decisions, including a recent decision that clarified what prior art a patent owner must address to meet its burden of proof
- Proposes using a word count for major briefing so that parties are free to present arguments and evidence to the Office in a way that a party deems is most effective, including presenting arguments in claim charts

Proposed Pilot Program Exploring an Alternative Approach to Institution Decisions

published August 25, 2015

- Goal is to explore efficiency of modifying the approach to institution
- Petition would be assigned to a single judge
- If instituted, two additional judges would be added
- The USPTO initially indicated that written comments must be received on or before October 26, 2015. In view of stakeholder requests for additional time to submit comments on the proposed pilot program, the USPTO extended the period for public comment to November 18, 2015

Thank You



Questions?

Reference Materials

Major Differences between IPR, PGR, and CBM

Inter Partes Review (IPR)	Petitioner	Estoppel	Standard	Basis
Post Grant Review (PGR)	<ul style="list-style-type: none"> Person who is not the patent owner and has not previously filed a civil action challenging the validity of a claim of the patent Must identify all real parties in interest 	<ul style="list-style-type: none"> Raised or reasonably could have raised Applied to subsequent USPTO/district court/ITC action 	More likely than not OR Novel or unsettled legal question important to other patents/applications	101, 102, 103, 112, double patenting but not best mode
Inter Partes Review (IPR)	<ul style="list-style-type: none"> Person who is not the patent owner, has not previously filed a civil action challenging the validity of a claim of the patent, and has not been served with a complaint alleging infringement of the patent more than 1 year prior (exception for joinder) Must identify all real parties in interest 	<ul style="list-style-type: none"> Raised or reasonably could have raised Applied to subsequent USPTO/district court/ITC action 	Reasonable likelihood	102 and 103 based on patents and printed publications
Covered Business Method (CBM)	<ul style="list-style-type: none"> Must be sued or charged with infringement Financial product or service Excludes technological inventions Must identify all real parties in interest 	<ul style="list-style-type: none"> Office—raised or reasonably could have raised Court-raised 	Same as PGR	Same as PGR (some 102 differences)

Major Differences between IPR, PGR, and CBM

Proceeding	Available	Applicable	Timing
Post Grant Review (PGR)	From patent grant to 9 months after patent grant or reissue	Patent issued under first-inventor-to-file	Must be completed within 12 months from institution, with 6 months good cause exception possible
Inter Partes Review (IPR)	For first-inventor-to-file, from the later of: (i) 9 months after patent grant or reissue; or (ii) the date of termination of any post grant review of the patent. For first-to-invent, available after grant or reissue (technical amendment)	Patent issued under first-to-invent or first-inventor-to-file	Must be completed within 12 months from institution, with 6 months good cause exception possible
Covered Business Method (CBM)	Available 9/16/12 (for first-inventor-to-file only after PGR not available or completed)	Patents issued under first-to-invent and first-inventor-to-file	Must be completed within 12 months from institution, with 6 months good cause exception possible

Post Grant Resources

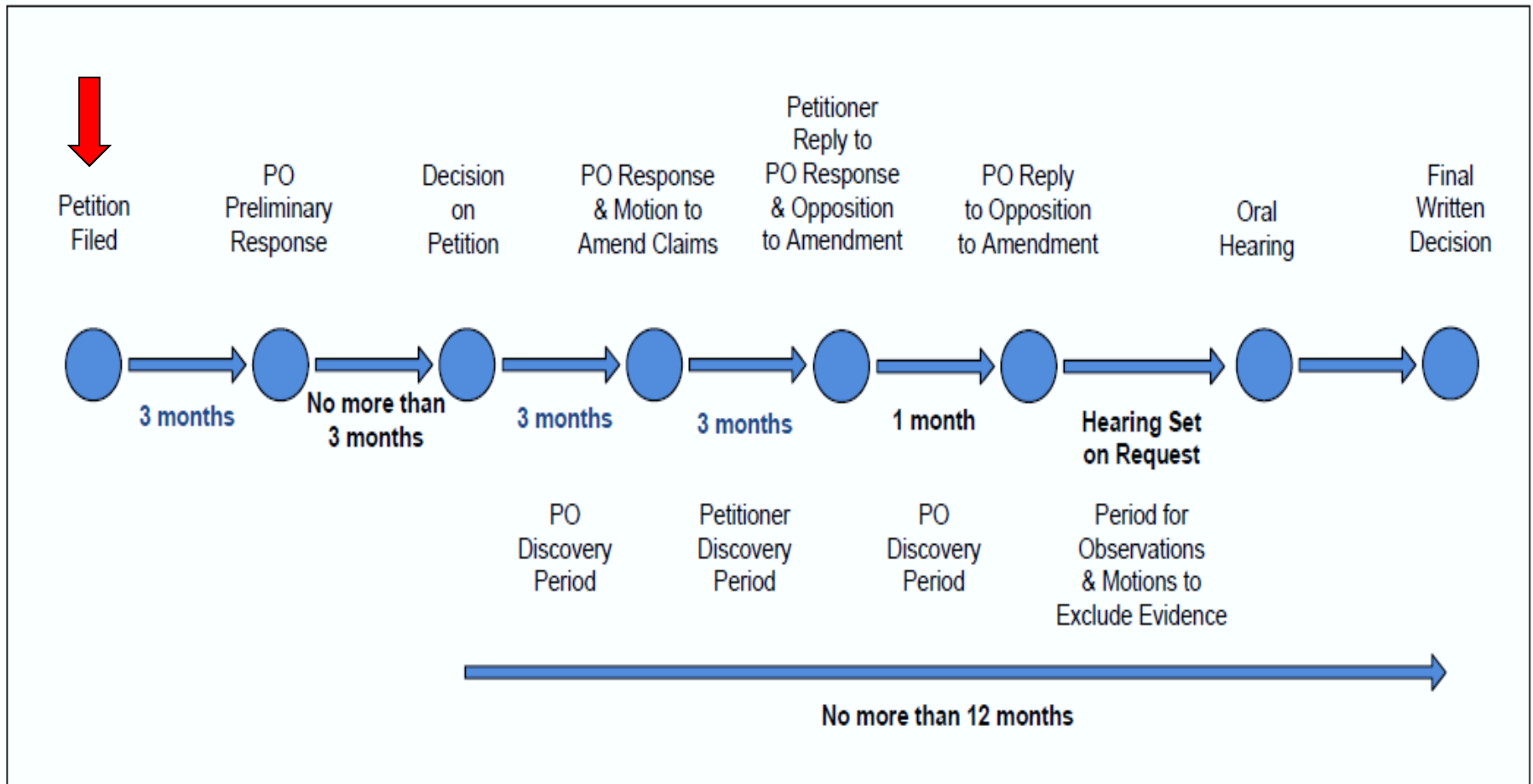
- Information concerning the Board and specific trial procedures may be found at:

<http://www.uspto.gov/ip/boards/bpai/index.jsp>

- General information concerning implementation of the Leahy-Smith America Invents Act, including post grant reviews, may be found at:

http://www.uspto.gov/aia_implementation/index.jsp

Petition Filing



Lessons Learned: Petitions

- Conclusions need to be supported by:
 - Sound legal analysis; and
 - Citations to evidentiary record
- Analysis needs to appear in petition itself (no incorporation by reference from declaration)
- Better to provide detailed analysis for limited number of challenges than identify large number of challenges for which little analysis is provided
- *See Wowza Media v. Adobe*, IPR2013-00054 (Paper 12)(denying petition)

Lessons Learned: Claim Charts

- Use standard two-column format. *See* FAQ D13
- Claim charts are not sufficient by themselves; they must be explained.
- Claim charts should contain pinpoint references to the supporting evidence. *See* FAQ D12

Lessons Learned: Claim Construction

- Claim constructions should be supported by citations to the record that justify the proffered construction and analysis provided as to why the claim construction is the broadest reasonable construction. 37 C.F.R. § 42.104(b)(3).
- An example of a failure to provide a sufficient claim construction occurs where claim terms are open to interpretation, but party merely restates claim construction standard to be used, e.g.,
 - A claim subject to inter partes review receives the “broadest reasonable construction in light of the specification of the patent in which it appears.” 37 C.F.R. § 42.100(b)

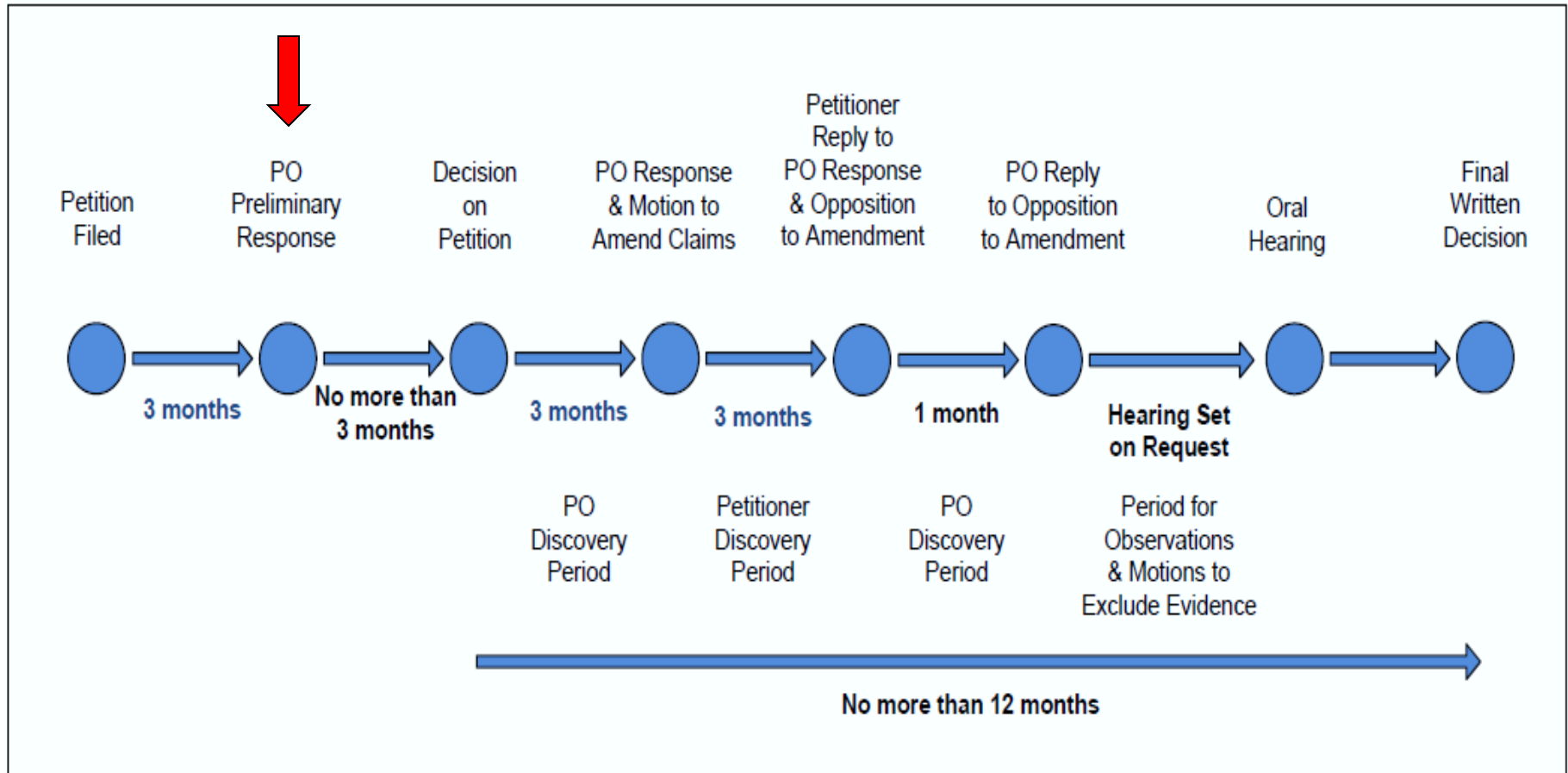
Lessons Learned: Experts

- Tutorials are helpful especially for complex technologies
- Expert testimony without underlying facts or data is entitled to little or no weight. 37 C.F.R. § 42.65(a). *See Monsanto Co. v. Pioneer Hi-Breed Int'l*, IPR2013-00022, Paper 43 (denying petition)
- Avoid merely “expertizing” your claim charts

Lessons Learned: Obviousness

- Question of obviousness is resolved based on underlying factual determinations identified in *Graham*
 - Includes addressing differences between claimed subject matter and the prior art
- Address the specific teachings of the art relied upon rather than rely upon what others have said (e.g., examiners)
 - Parties are to address whether there is a reason to combine art (*KSR*) and avoid conclusory statements
- See *Veeam Software v. Symantec*, IPR2013-00145 (Paper 12); *Heart Failure Tech. v. CardioKinetix*, IPR2013-00183 (Paper 12) (denying petition)

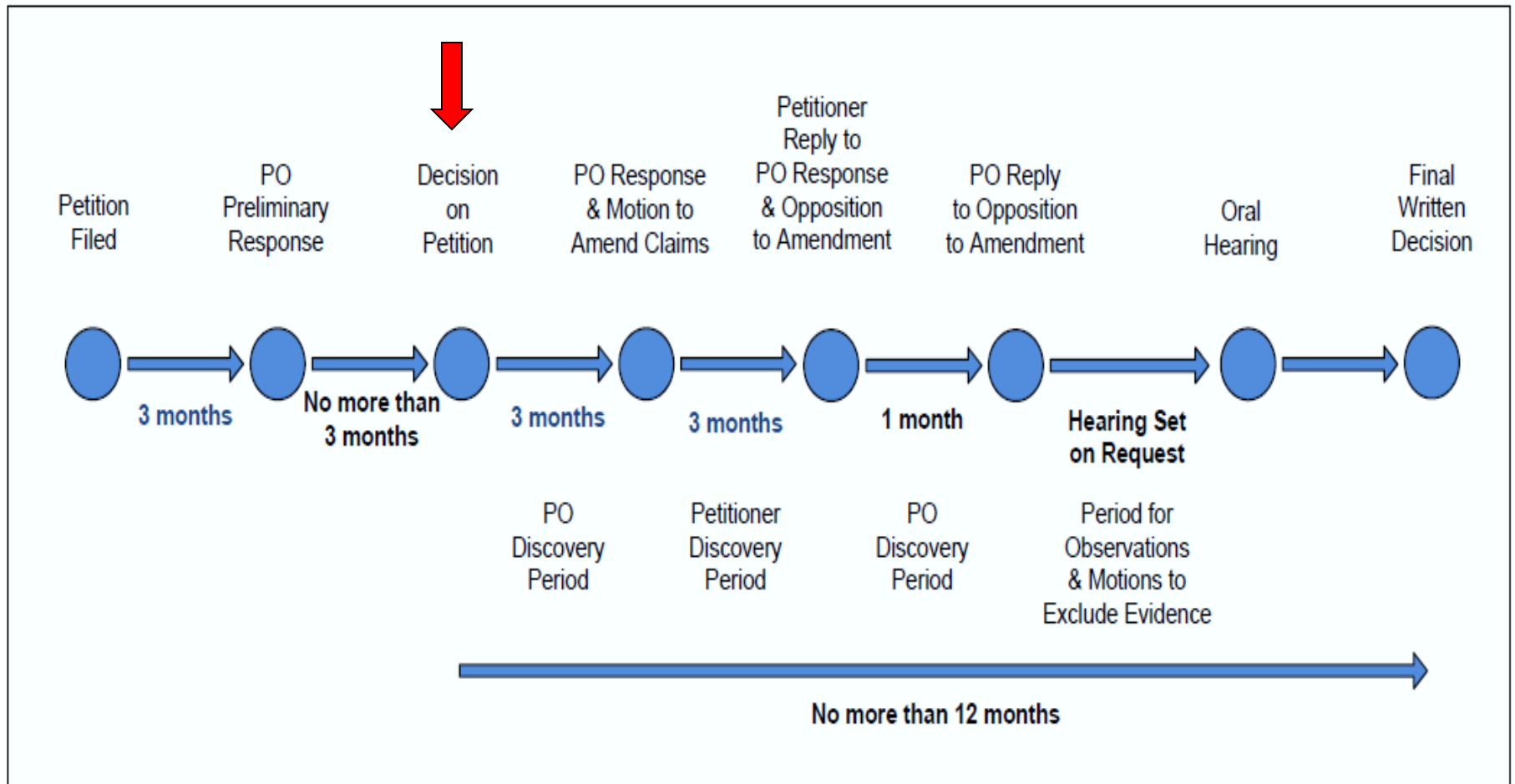
Patent Owner Preliminary Response



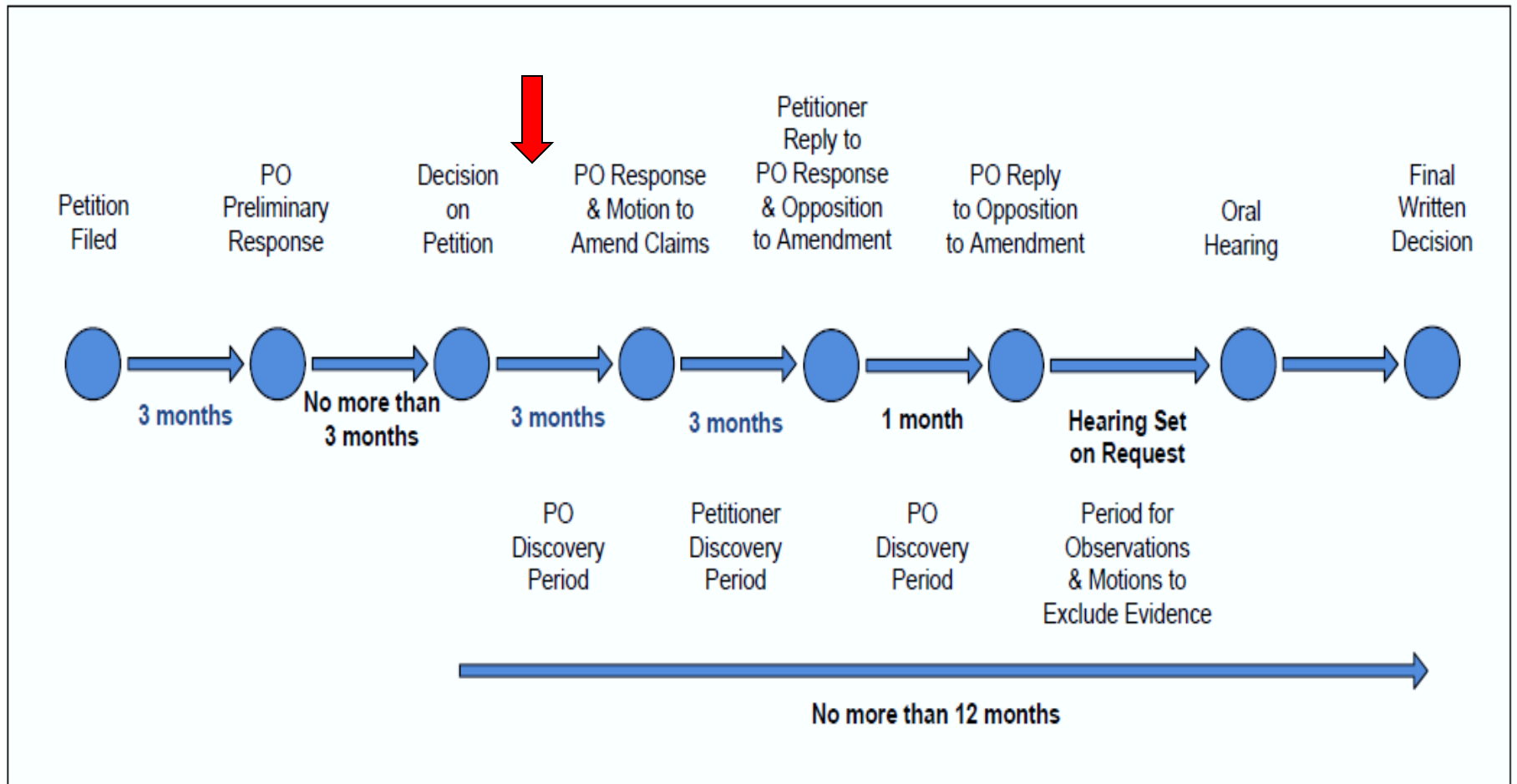
Lessons Learned: Patent Owner Preliminary Response

- Clearly identify procedural and substantive reasons to deny petition, e.g.,
 - Statutory bar under 35 U.S.C. § 315 or § 325?
 - Failure to identify real parties-in-interest/privies?
 - Weaknesses in Petitioner's case?
 - Petitioner's claim construction is improper
 - Cited references are not, in fact, prior art
 - Cited references lack material element(s)
- Cannot present new testimonial evidence
 - BUT can cite existing testimony and reports

Decision on Petition



Joinder

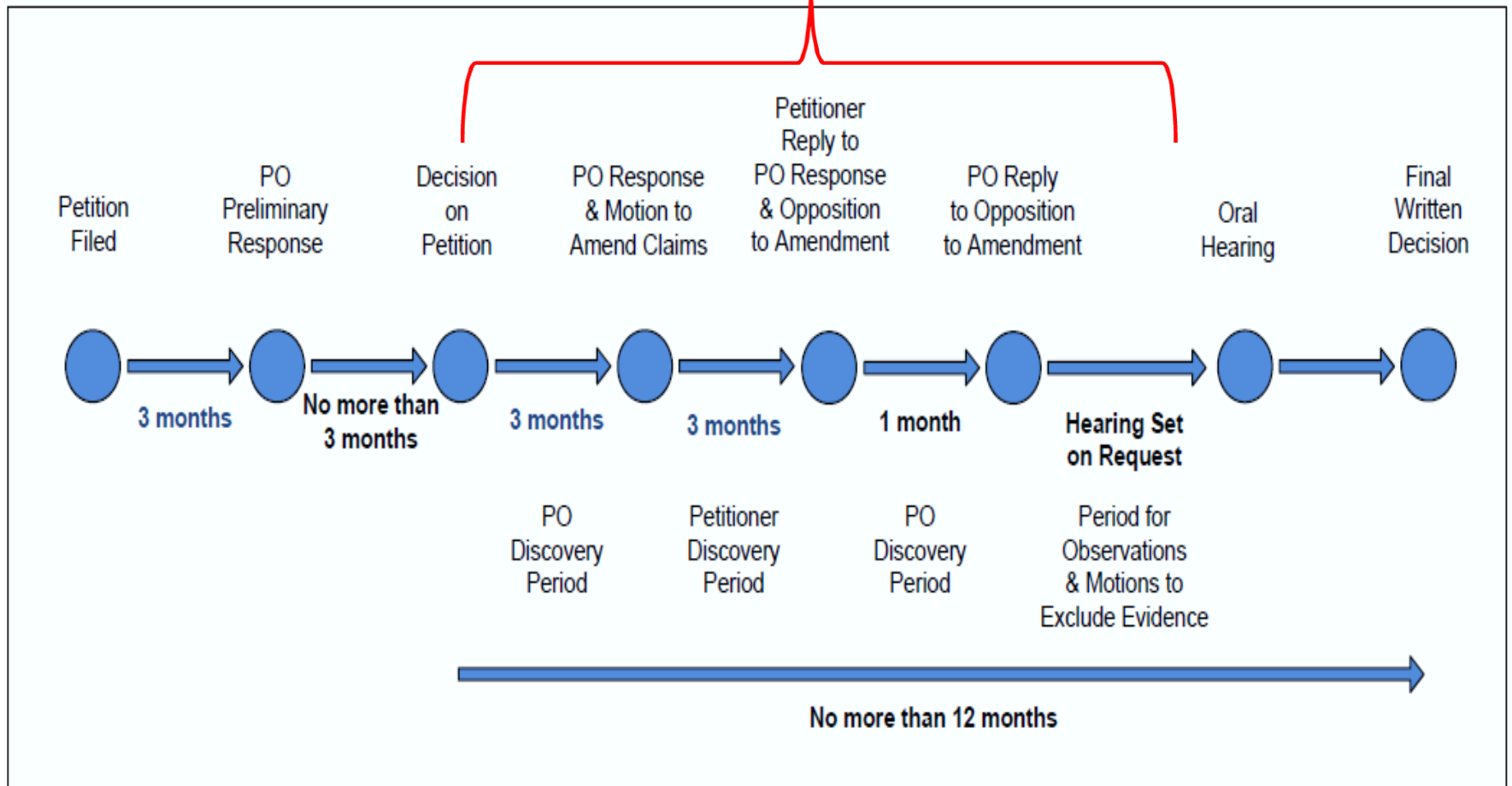


Lessons Learned: Joinder

- Must be a like review proceeding
- Requires filing a motion and petition
- File within one month of institution
- Impact on schedule important
- *Dell v. Network-1*, IPR2013-00385 (Paper 17)(joinder granted)
- *Sony v. Network-1*, IPR2013-00386 (Paper 16)(joinder denied)

Discovery

Discovery Period



Types of Discovery

- Initial disclosures (Trial Practice Guide, 77 Fed. Reg. 48756, 48761-62 (Aug. 14, 2012))
- Routine Discovery
 - Cited exhibits
 - Cross-examination of witnesses
 - Inconsistent information
- Additional Discovery

Lessons Learned: Additional Discovery

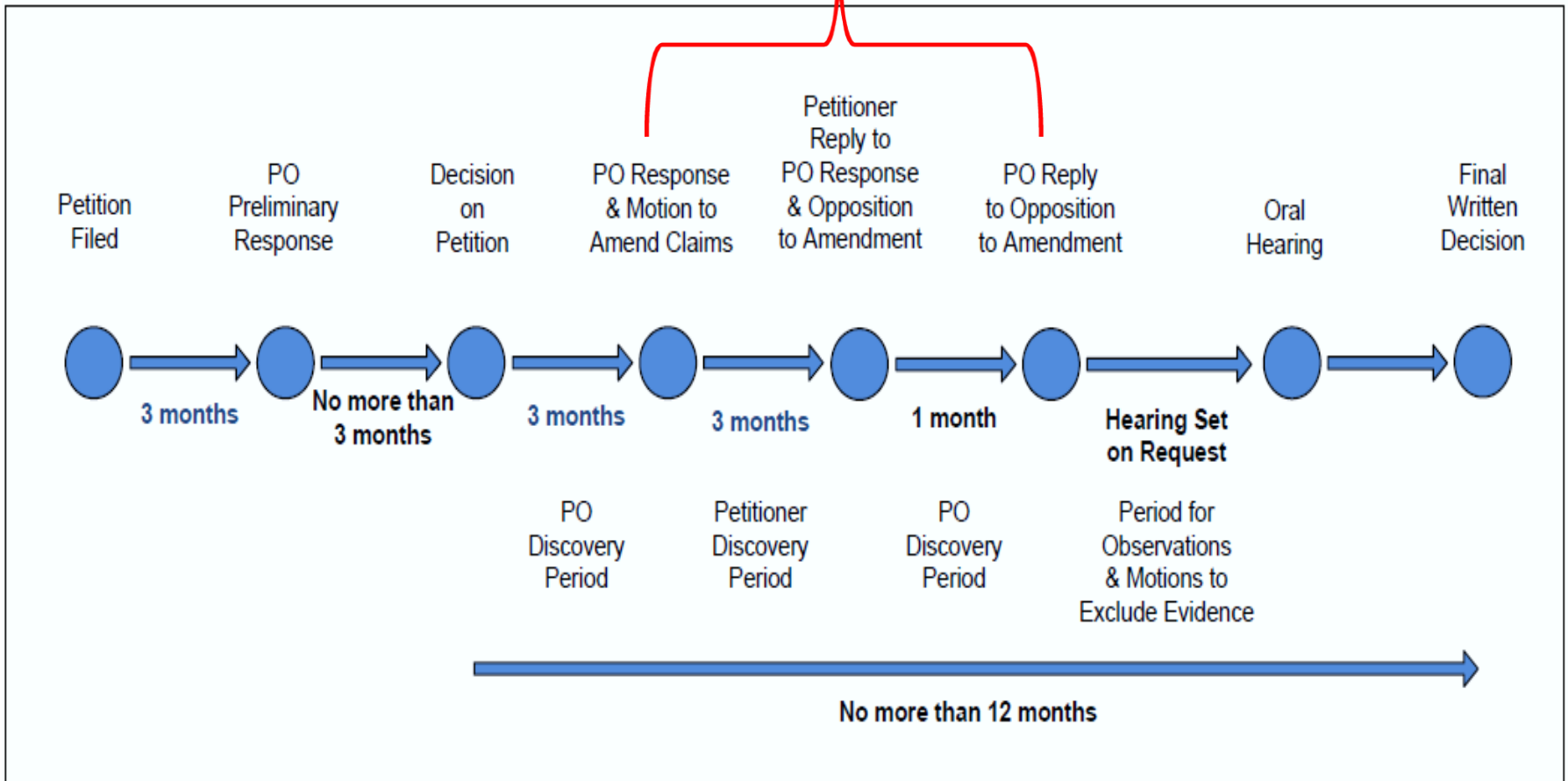
- Five factor test used in evaluating additional discovery requests (IPR2012-00001, *Garmin v. Cuozzo* (Paper 26)):
 1. More than a possibility and mere allegation must exist that something useful might be found.
 2. Is the request merely seeking early identification of opponent's litigation position?
 3. Can party requesting discovery generate the information?
 4. Interrogatory questions must be clear.
 5. Are requests overly burdensome to answer?
- Requests for specific documents with a sufficient showing of relevance are more likely to be granted whereas requests for general classes of documents are typically denied

Lessons Learned: Depositions

- Federal Rules of Evidence apply
- Objections to admissibility waived
- Follow the Testimony Guidelines (Practice Guide Appendix D)
 - No “speaking” objections or coaching
 - Instructions not to answer are limited
- Foreign language/country. *See Ariosa v. Isis*, IPR2013-00022 (Papers 55, 67)

Motions-to-Amend

Motions-to-Amend



Motions-to-Amend

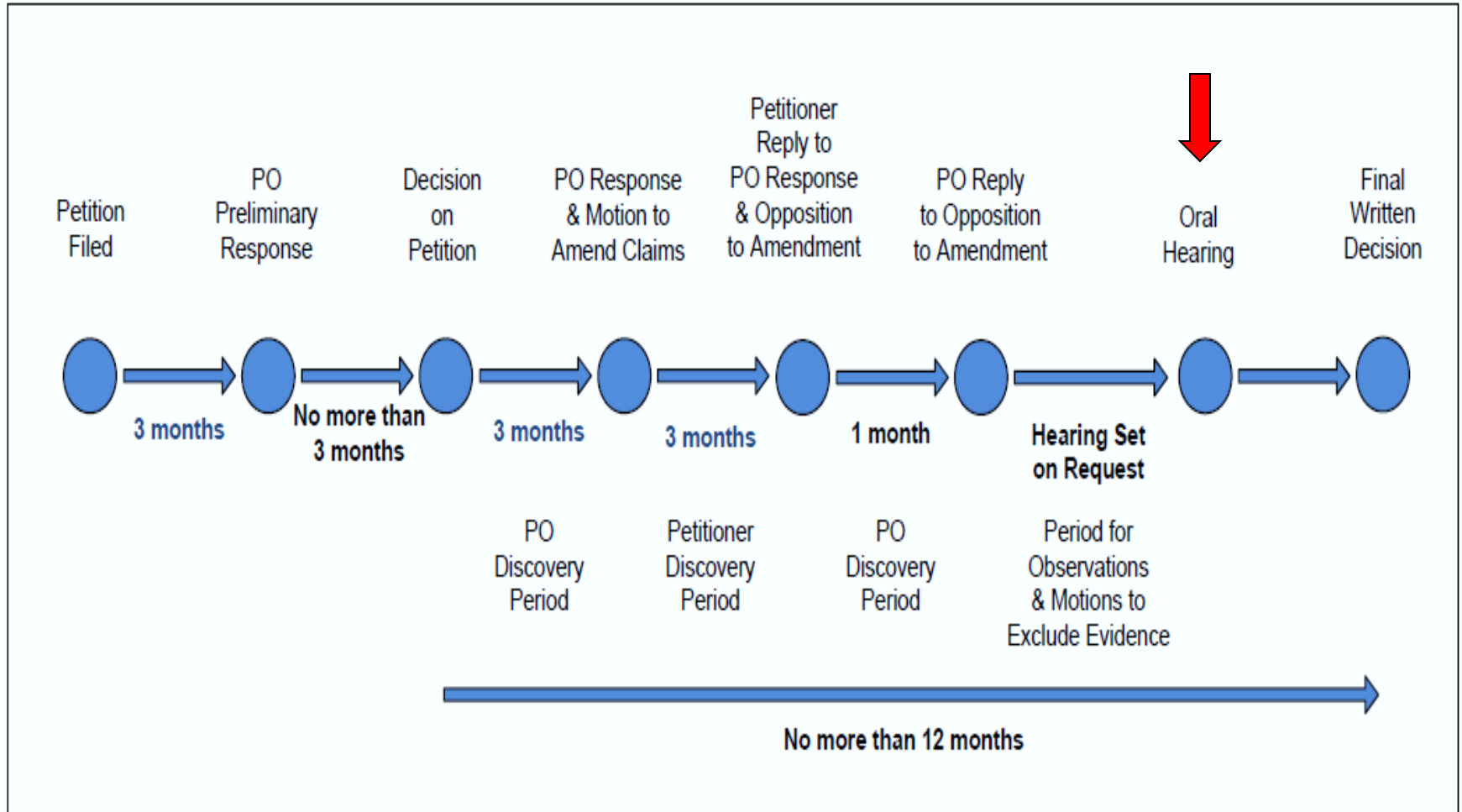
- Board conference required
- Normally one-for-one claim substitution
- Must narrow scope
- Need to show patentable distinction
- Clearly state the contingency of substitution
- *See Idle Free v. Bergstrom*, IPR2012-00027 (Paper 26) and *MasterImage 3D, Inc. v. RealD Inc.*, IPR2015-00040 (Paper 42)



Motions-to-Amend

- Unlike during examination, PTAB does not “examine” amended claims during an AIA proceeding
 - No search is conducted
 - No claim rejections made
- Burden is on the movant (i.e., the patent owner) to show the patentable distinction of the proposed amended claim

Oral Hearing



Lessons Learned: Oral Hearing

- Attorneys should bear in mind that:
 - Panel may have more than three judges;
 - Some panel members may participate by video; and
 - All questions from the judges are based on the written record, including arguments made in the parties' briefs and expert testimony filed in support of the parties' briefs
- Attorneys should be prepared to answer questions about the entire record, including claim construction, motion to amend, priority, secondary consideration and swearing-behind issues
 - Have sufficient familiarity with the record to answer questions effectively; and
 - Be ready to deviate from a prepared presentation to answer questions

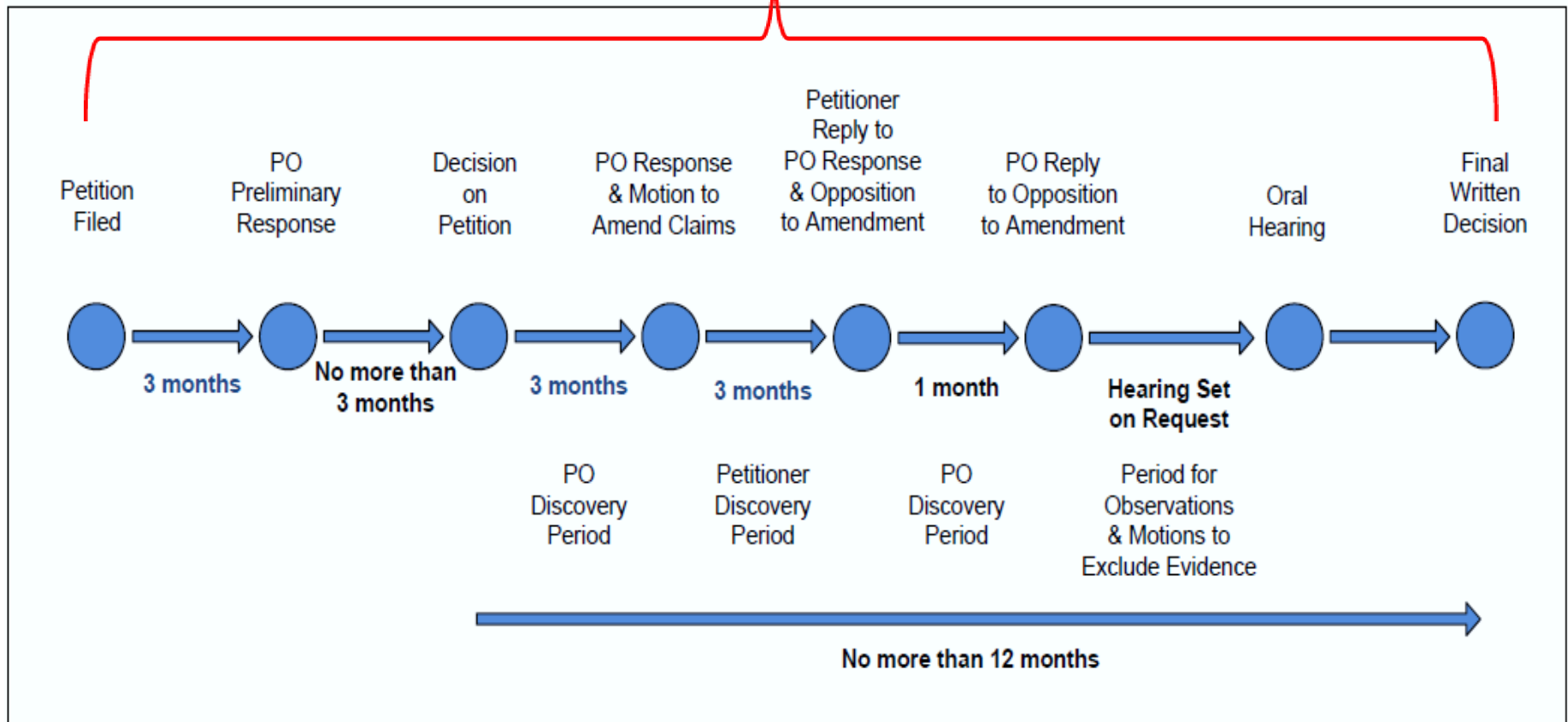


Lessons Learned: Oral Hearing

- Attorneys should focus on the best argument and not try to cover every argument made during the course of the trial
- No new evidence or argument is permitted
- Demonstrative exhibits should serve merely as visual aids
 - Pages of the record, with appropriate highlighting (e.g., highlighted figures), are effective and could be very helpful
 - When referring to slides, identify the number of the slide rather than say “this slide” or “next slide”

Settlement and Termination

Settlement and Termination



Lessons Learned: Settlement

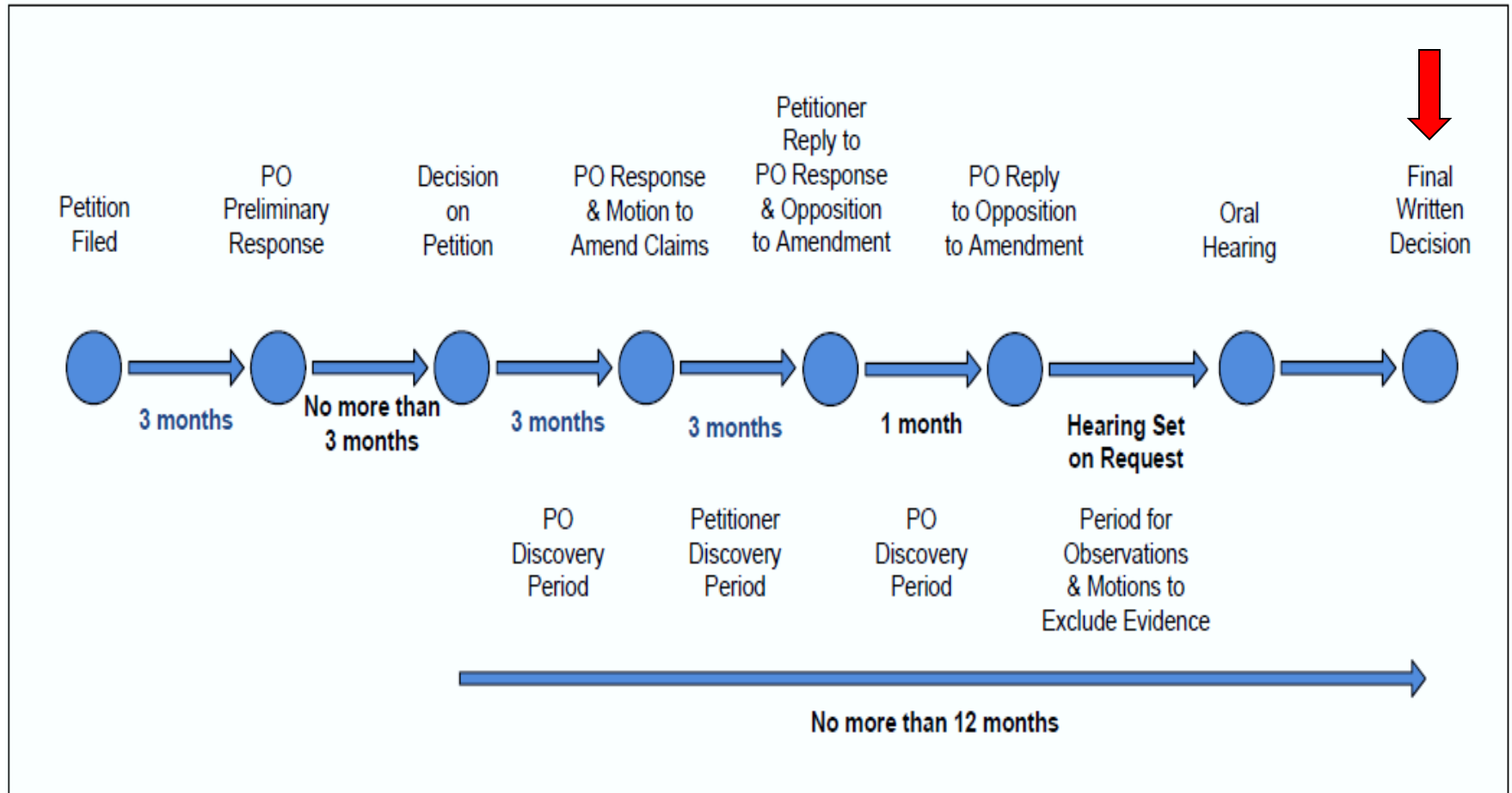
- Parties may file a joint motion to terminate a proceeding on the basis of settlement
 - Preauthorization is required; and
 - May be filed at any stage of the proceeding, even before institution
 - If the proceeding is terminated before institution, petitioner may file a request for refund of post-institution fee
- Board has discretion to proceed to final written decision, especially at an advanced stage when all briefing is complete
- Board is more likely to grant early motions to terminate



Lessons Learned: Settlement

- When there are multiple petitioners, proceeding may be terminated with respect to one petitioner when that petitioner settles with patent owner
- Joint motion to terminate must be accompanied by a true copy of the settlement agreement; a redacted version is not permitted
- Parties may request that the settlement agreement be treated as business confidential information
 - See § 42.74(c) and FAQ G2

Final Written Decision



PTAB Website

Revised PTAB Website

<http://www.uspto.gov/about-us/organizational-offices/patent-trial-and-appeal-board>

The screenshot shows the USPTO website header with the logo and navigation links for 'About Us', 'Careers', and 'Contact Us'. Below the header is a search bar and a menu with 'Patents', 'Trademarks', 'Learning and Resources', and 'Quick Links'. The main content area features a breadcrumb trail: 'Home / Patents: Application Process / Patent Trial and Appeal Board'. The heading reads 'Welcome to the Patent Trial and Appeal Board (PTAB)'. A list of news items includes: 'PTAB to Host "Boardside Chat" Webinar Series Bi-monthly - Next Chat is on June 2, 2015', 'New Maximum Daily Limit for Credit Card Payments, Effective June 1, 2015', and 'View Public Comments Submitted for the Request for Comments on Trial Proceedings under the America Invents Act before the Patent Trial and Appeal Board'. On the right, there is a 'PTAB Systems Quick Links' section with links to 'ACTS i-filing - Interference Web Portal', 'PRPS - Patent Review Processing System', 'Final Decisions - PTAB related final agency decisions', and 'Subscriptions - Sign up here to receive the latest news and updates from the USPTO conveniently via e-mail.'

Trials

This page includes information about proceedings conducted by the Patent Trial and Appeal Board, including inter partes review post-grant review, the transitional post-grant review for covered business method patents, derivations and interferences.

Hearings

This page contains information concerning presenting oral argument for appeals, interferences, and AIA trials conducted by the Patent Trial and Appeal Board.

About PTAB

The Patent Trial and Appeal Board is created by statute, and includes statutory members and Administrative Patent Judges. The PTAB is charged with rendering decisions on: appeals from adverse examiner decisions, post-issuance challenges to patents, and interferences.

Appeals

This page includes information about appeals conducted by the Patent Trial and Appeal Board from adverse decisions of examiners in patent applications, reissue applications, and reexamination proceedings.

Resources

The page contains policies, procedures, rules, guides, tools and manuals which are associated with proceedings before the Patent Trial and Appeal Board.

Help

Click here if you are looking for more information about the Patent Trial and Appeal Board?

Decisions

This page includes links to all public, final agency decisions of the Patent Trial and Appeal Board, including decisions designated as precedential or informative.

Statistics

Periodic summaries of data concerning proceedings before the Patent Trial and Appeal Board, including dispositions, pendency, inventory, and other tracking measures.

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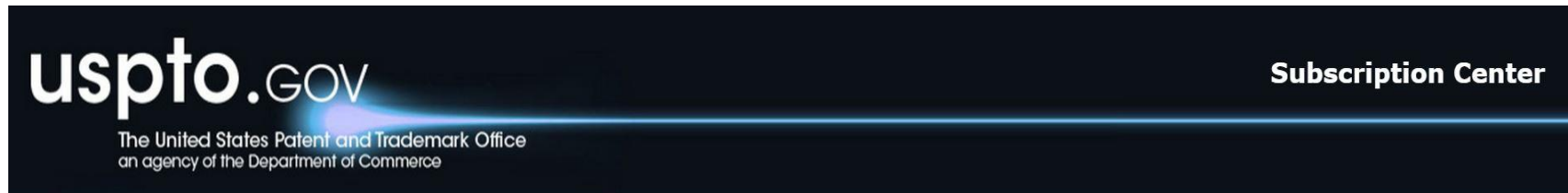
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