



Hot Topics for Congress and the USPTO: 101 Patent Eligibility and PTAB Director Review

September 14, 2022



PTAB Director Review



United States v. Arthrex

- The Supreme Court decided *Arthrex* on June 21, 2021, which addressed the Constitution's Appointments Clause as it relates to Administrative Patent Judges ("APJs").
- The Supreme Court considered whether APJs are "principal officers" who must be appointed by the President with the advice and consent of the Senate, or (as the USPTO argued) whether they are "inferior officers" who can be appointed by the Secretary of Commerce.
- The Court held that "unreviewable authority wielded by APJs... is incompatible with their appointment by the Secretary to an inferior office."
- The Court's remedy held that the Director "may review *final* PTAB decisions and, upon review, may issue decisions himself on behalf of the Board."

Director Review

- Post-*Arthrex*, the USPTO has implemented an Interim process for Director Review.

The screenshot shows the USPTO website header with the logo and navigation links: About Us, Jobs, Contact Us, MyUSPTO. A search bar is present with the text 'Search uspto.gov'. Below the header is a main navigation bar with links for Patents, Trademarks, IP Policy, and Learning and Resources, along with a 'Find It Fast' button. The breadcrumb trail reads: Home > Patents > Patent Trial and Appeal Board > Interim process for Director review. There are also 'Share' and 'Print' icons.

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Interim process for Director review

Updated July 20, 2022. The United States Patent and Trademark Office (USPTO) issued a Request for Comments (RFC) on [Director review, Precedential Opinion Panel \(POP\) review, and internal circulation and review of Patent Trial and Appeal Board \(PTAB\) decisions](#), as the USPTO works to formalize the Director review process.

Until the process is formalized, the existing, interim Director review process will remain in place with a few additional [suggestions](#) by the Director. The interim process has allowed the USPTO to quickly and efficiently implement [United States v. Arthrex, Inc](#). The interim process will apply to Director review of final written decisions of the PTAB in inter partes review and post-grant review proceedings and, to the extent some are still pending, covered business method patent review proceedings.

The interim process furthers the USPTO's goal of promoting innovation through consistent and transparent decision-making and the issuance and maintenance of strong patents. The Director review process complements three other procedures the USPTO has in place to promote the same goals: panel rehearing; internal review; and the POP.

A listing of all Director review grants and the status of each request for Director review are listed on the [Status of Director Review Requests webpage](#).



Director Review

- The Office's Interim process is intended to further the USPTO's goal of promoting innovation through **consistent and transparent** decision-making and the issuance of strong patents.
- This Interim process complements three other PTAB procedures already in place:
 - Panel rehearing;
 - Internal review; and
 - The Precedential Opinion Panel ("POP").



Director Review

- Under the Interim process, Director Review can be **initiated *sua sponte*** or **requested by a party to a PTAB proceeding**.
 - If Director Review is initiated *sua sponte*, the parties to the PTAB proceeding will be given notice and possibly the opportunity for briefing.
- Director Review may address ***any*** issue, including issues of fact and/or law.
 - Thus, Director Review decisions are not necessarily precedential.
- Director Review is *de novo*.
- Final written decisions by the Director are appealable to the U.S. Court of Appeals for the Federal Circuit.



Director Review – Requests by a Party

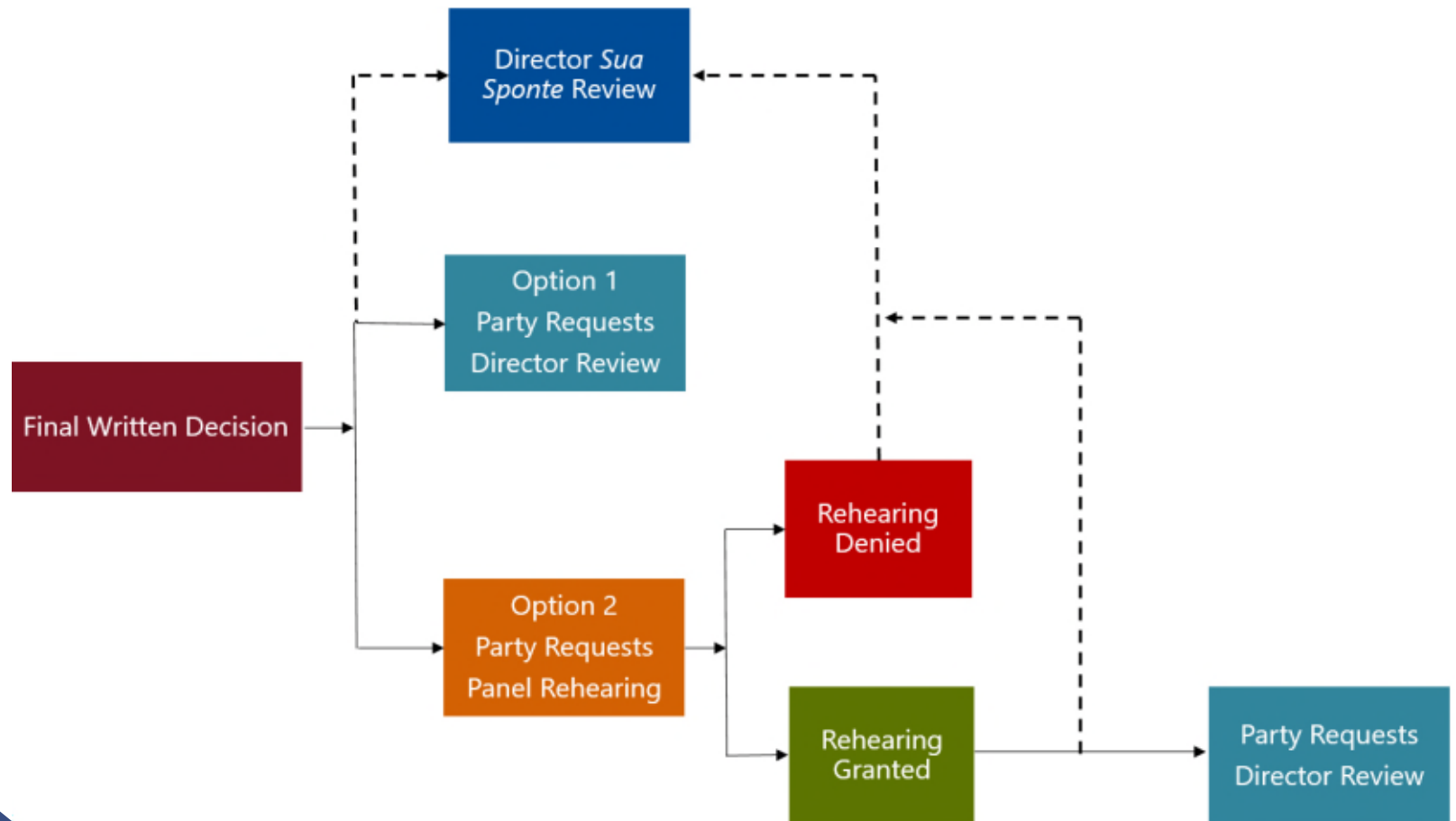
- A party to a PTAB proceeding may request Director Review of a *final written decision* in an *inter partes* review or a post-grant review by **concurrently**:
 - (1) **filing a request for rehearing** by the Director of a PTAB decision, ***and***
 - (2) **submitting a notification of the request** by email to Director_PTABDecision_Review@uspto.gov, copying counsel for all parties.



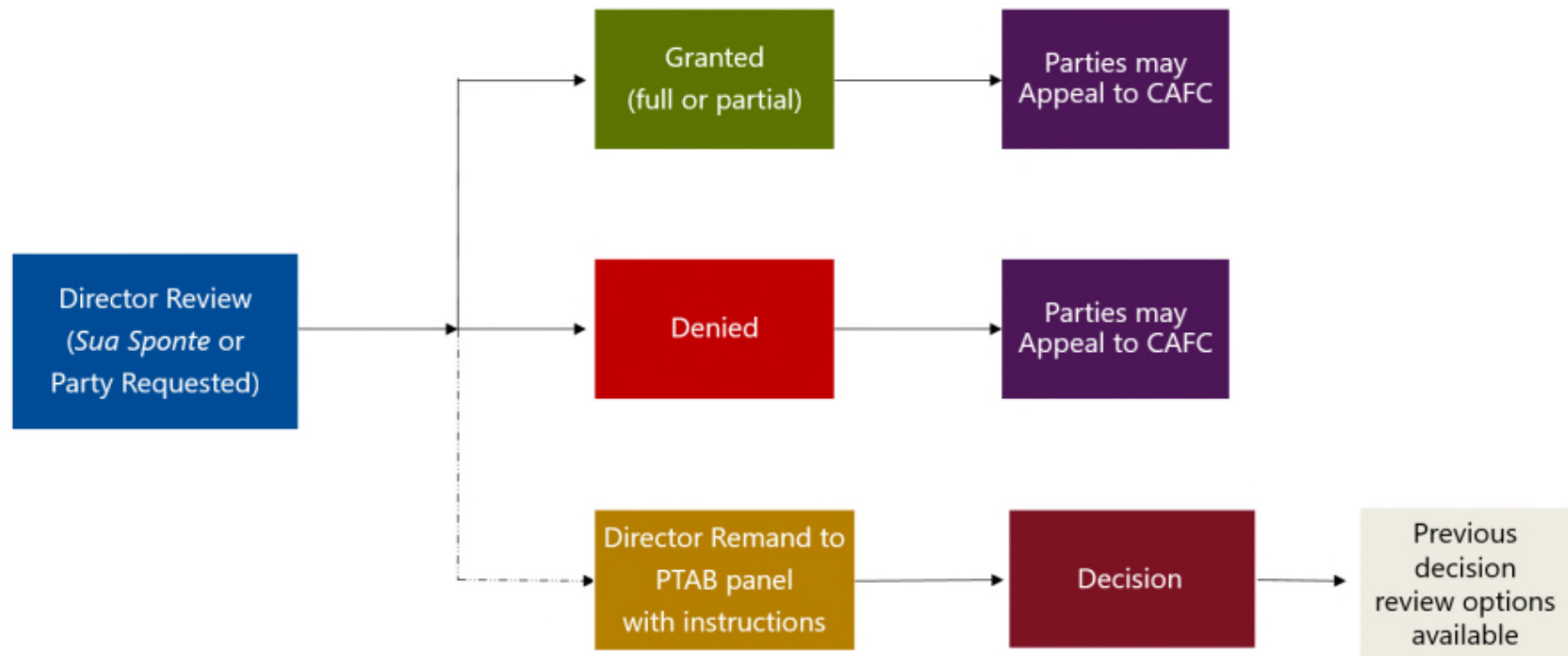
Director Review

- After a *final written decision*, a party may request *either* Director Review or panel rehearing, *but not both*.
 - If a party requests panel rehearing, and the request is granted, a party may subsequently request Director Review of that decision.
 - If a party requests both Director Review and panel rehearing (either together, or in the alternative), the USPTO will treat that as a request for Director Review.

Procedure for Director Review



Procedure for Director Review

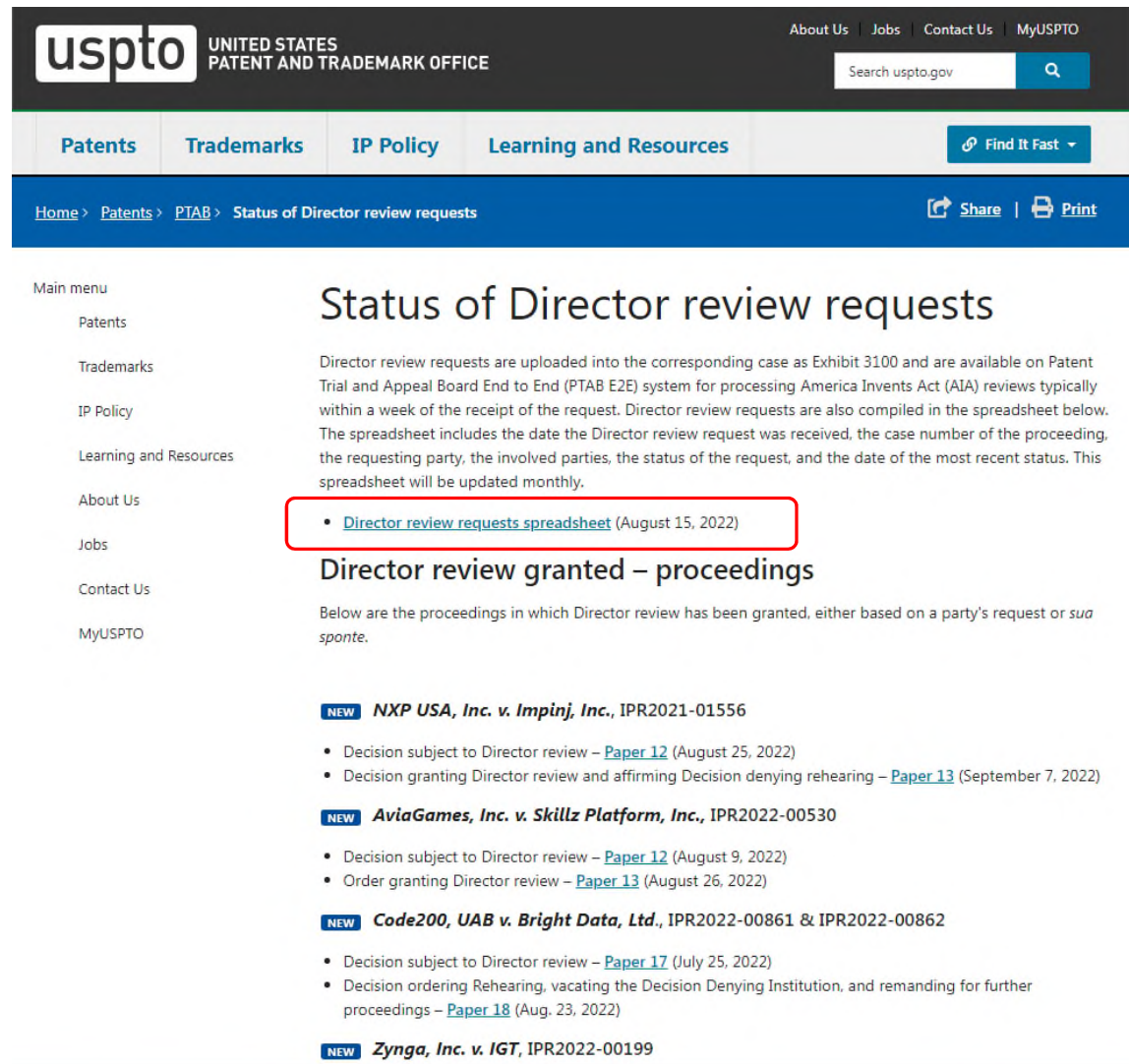




Director Review – Role of the Advisory Committee

- Requests for Director Review are routed to and considered by the Advisory Committee.
- The Advisory Committee consists of:
 - 11 members
 - Representatives from various USPTO business units
 - Provides an ***advisory*** recommendation to the Director
 - No member may participate in consideration of a request for Director Review if that member has a conflict of interest

Director Review – Status of Requests



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Status of Director review requests

Director review requests are uploaded into the corresponding case as Exhibit 3100 and are available on Patent Trial and Appeal Board End to End (PTAB E2E) system for processing America Invents Act (AIA) reviews typically within a week of the receipt of the request. Director review requests are also compiled in the spreadsheet below. The spreadsheet includes the date the Director review request was received, the case number of the proceeding, the requesting party, the involved parties, the status of the request, and the date of the most recent status. This spreadsheet will be updated monthly.

- [Director review requests spreadsheet](#) (August 15, 2022)

Director review granted – proceedings

Below are the proceedings in which Director review has been granted, either based on a party's request or *sua sponte*.

NEW *NXP USA, Inc. v. Impinj, Inc.*, IPR2021-01556

- Decision subject to Director review – [Paper 12](#) (August 25, 2022)
- Decision granting Director review and affirming Decision denying rehearing – [Paper 13](#) (September 7, 2022)

NEW *AviaGames, Inc. v. Skillz Platform, Inc.*, IPR2022-00530

- Decision subject to Director review – [Paper 12](#) (August 9, 2022)
- Order granting Director review – [Paper 13](#) (August 26, 2022)

NEW *Code200, UAB v. Bright Data, Ltd.*, IPR2022-00861 & IPR2022-00862

- Decision subject to Director review – [Paper 17](#) (July 25, 2022)
- Decision ordering Rehearing, vacating the Decision Denying Institution, and remanding for further proceedings – [Paper 18](#) (Aug. 23, 2022)

NEW *Zynga, Inc. v. IGT*, IPR2022-00199



Director Review – Statistics

- Director Review has been requested **217 times** and granted **12 times** (8 initiated *sua sponte* and 4 granted on party request).
- Director Vidal has initiated Director Review *sua sponte* to address the following kinds of issues:
 - Denial of institution of *inter partes* review, see *AviaGames, Inc. v. Skillz Platform, Inc. & Boehringer Ingelheim Animal Health USA Inc. v. Kansas State University Research Foundation*
 - PTAB decision to deny Petitioner’s request for rehearing, see, e.g., *NXP USA, Inc. v. Impinj, Inc.*
 - PTAB decision to deny institution based on the Board’s discretionary authority under 35 U.S.C. § 314(a), see, e.g., *Code200, UAB v. Bright Data, Ltd.*
 - Determination of whether Petitioner is barred from pursuing IPR based on interference estoppel, see, e.g., *Zynga, Inc. v. IGT.*
 - Decision granting institution of *inter partes* review, see *OpenSky Industries, LLC v. VLSI Technology LLC & Patent Quality Assurance, LLC v. VLSI Technology LLC.*
 - To clarify the Office’s binding guidance on the treatment of statements of the applicant in a challenged patent under 35 U.S.C. § 311(b), see, e.g., *MED-EL Elektromedizinische Geräte Ges.m.b.H. v. Advanced Bionics AG.*

Director Review – Statistics

- **8 of the last 9** grants of Director Review were instituted *sua sponte* by Director Vidal.
 - *Nested Bean, Inc. v. Big Being Pty Ltd* (Director Review initiated upon Patent Owner request to review the Board’s Final Written Decision finding dependent claims unpatentable where independent claim was not unpatentable).

Director_PTABDecision_Review@uspto.gov
571-272-7822

Paper 13
Date: September 7, 2022



UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE OFFICE OF THE UNDER SECRETARY OF COMMERCE
FOR INTELLECTUAL PROPERTY AND DIRECTOR OF THE UNITED
STATES PATENT AND TRADEMARK OFFICE

NXP USA, INC.,
Petitioner,

v.

IMPINJ, INC.,
Patent Owner.

IPR2021-01556
Patent 10,776,198 B1

Before KATHERINE K. VIDAL, *Under Secretary of Commerce for
Intellectual Property and Director of the United States Patent and
Trademark Office.*

DECISION
Granting *Sua Sponte* Director Review and Affirming the Decision Denying
Rehearing

USPTO Request for Comments

- The USPTO is reviewing the POP process in light of the Interim process and has requested public comments and suggestions.
- The USPTO's Interim process may change based on suggestions and comments from the public.
- The public is encouraged to submit suggestions and/or comments to Director_Review_Suggestions@uspto.gov.

The screenshot displays the Federal Register website interface. At the top, there is a navigation bar with options for Sections, Browse, Search, Reader Aids, and My FR. A search box for documents is also present. Below the navigation bar, the Federal Register logo and the text "The Daily Journal of the United States Government" are visible, along with the National Archives seal. A blue banner indicates a "Notice". The main heading of the notice is "Request for Comments on Director Review, Precedential Opinion Panel Review, and Internal Circulation and Review of Patent Trial and Appeal Board Decisions". Below the heading, it states "A Notice by the Patent and Trademark Office on 07/20/2022". A green button labeled "SUBMIT A FORMAL COMMENT" is prominently displayed, with a note that "This document has a comment period that ends in 14 days. (09/19/2022)". A link to "Read the 1267 public comments" is also visible. The document content is divided into two sections: "PUBLISHED DOCUMENT" and "DOCUMENT DETAILS". The "PUBLISHED DOCUMENT" section includes the following information:

- AGENCY:** Patent Trial and Appeal Board, United States Patent and Trademark Office, U.S. Department of Commerce.
- ACTION:** Request for Comments.
- SUMMARY:** The United States Patent and Trademark Office (USPTO or Office) seeks public comments on practices and policies for the review of Patent Trial and Appeal Board (PTAB or Board) decisions. The USPTO has implemented a number of

The "DOCUMENT DETAILS" section includes the following information:

- Printed version:** PDF
- Publication Date:** 07/20/2022
- Agencies:** Patent and Trademark Office
- Dates:** Comment Deadline Date: Written comments must be received on or before September 19, 2022, to ensure consideration.
- Comments Close:** 09/19/2022

USPTO Request for Comments



Request for Comment
Opinion Panel Review
Patent Trial and Appeal

A Notice by the Patent and Trademark Office

This document has a comment period that

PUBLISHED DOCUMENT

AGENCY:
Patent Trial and Appeal Board, United States Patent and Trademark Office, Department of Commerce.

ACTION:
Request for Comments.

SUMMARY:
The United States Patent and Trademark Office is seeking public comments on practices and policies of the Patent Trial and Appeal Board (PTAB or Board) decisions. The

Request for Public Comments

The USPTO seeks written public comments on the interim Director review process, the POP review process, and the PTAB decision circulation and internal review processes. The USPTO welcomes any comments from the public on the processes and is particularly interested in the public's input on the questions and requested information noted below.

1. Should any changes be made to the interim Director review process, and if so, what changes and why?
2. Should only the parties to a proceeding be permitted to request Director review, or should third-party requests for Director review be allowed, and if so, which ones and why?
3. Should requests for Director review be limited to final written decisions in IPR and PGR? If not, how should they be expanded and why?



More Information

- For more information on the Interim Director Review process, visit the USPTO *Arthrex* webpage:
<https://www.uspto.gov/about-us/events/learn-about-interim-director-review-process-following-us-v-arthrex-inc>
- For additional questions regarding the impact of *Arthrex* more generally, or on a specific proceeding, email trials@uspto.gov
- For comments or suggestions regarding the Interim Director Review process, visit the Federal Register webpage:
<https://www.federalregister.gov/documents/2022/07/20/2022-15475/request-for-comments-on-director-review-precedential-opinion-panel-review-and-internal-circulation>
 - **Reminder**: Comments close **October 19, 2022**



Thank You