

Thanks for joining us!  
We will begin momentarily.

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# 2019 PTAB Year In Review

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# Overview

## PTAB Practice/Procedure

- [Consolidated Trial Practice Guide](#)
- [Precedential Opinion Panel \(POP\)](#)
- Hearings: [Schedule](#) & [Remote Viewing of IPR Hearings](#)
- [PTAB Stats](#)
- [Recently Designated Decisions](#) re discretionary denials
- Post Grant Claim Amendments: [IPR](#) vs [Reissue vs Reexam](#)

## Constitutional Issues

- Appointments Clause - *Arthrex Inc. v. Smith & Nephew Inc.*
- Due Process/Takings - *Celgene v. Peter*
- Standing - *General Electric v. United Technologies*

## Federal/Statutory Issues

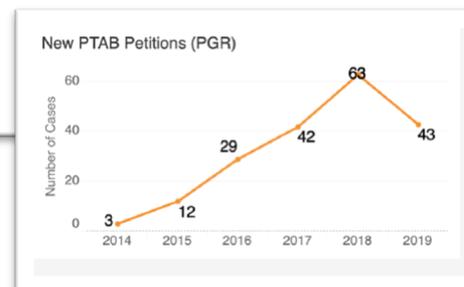
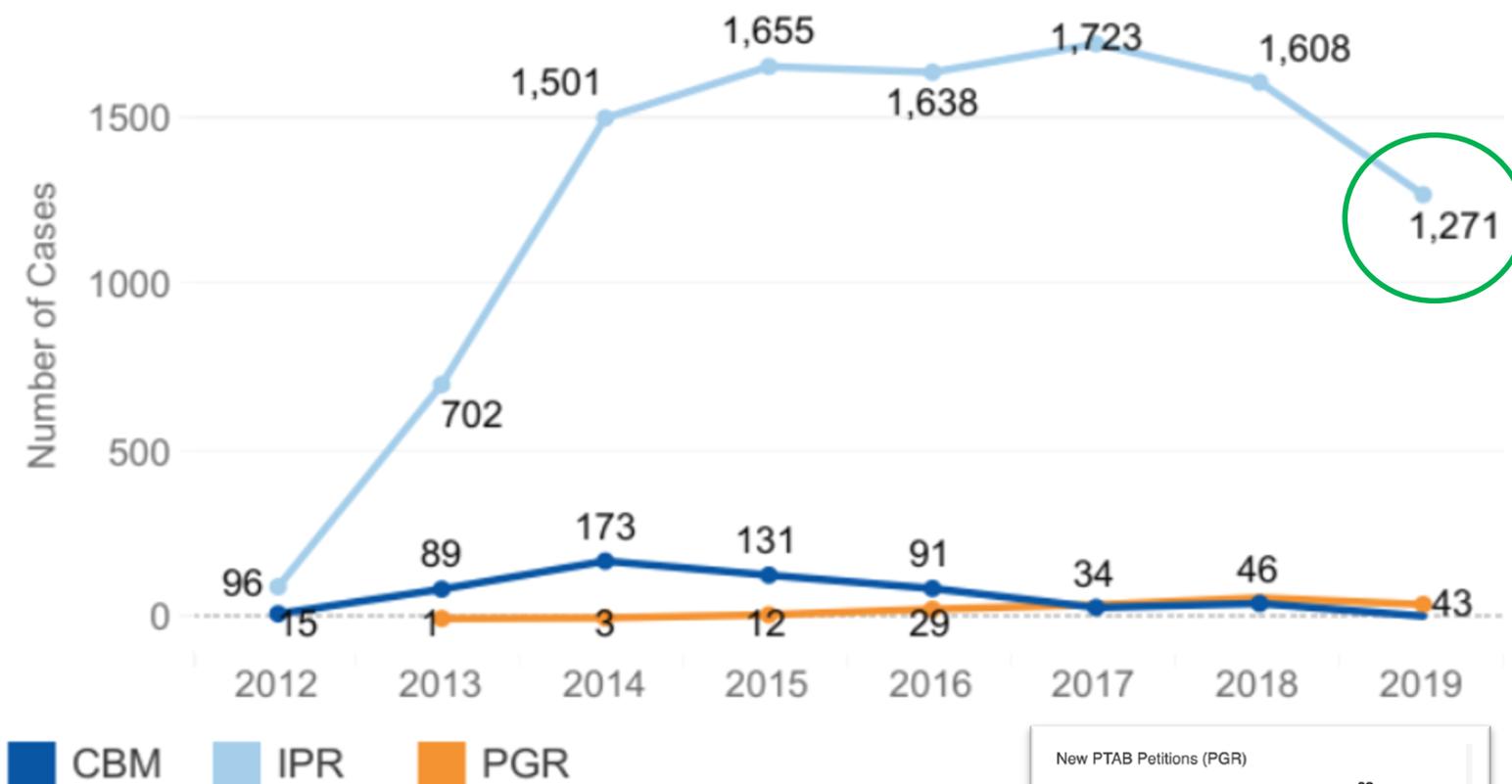
- Petitioner Estoppel – *Asetek Danmark A/S v. Coolit Sys.*
- RPI - *Power Integrations v. Semiconductor Components*

# 2019 – PTAB STATS

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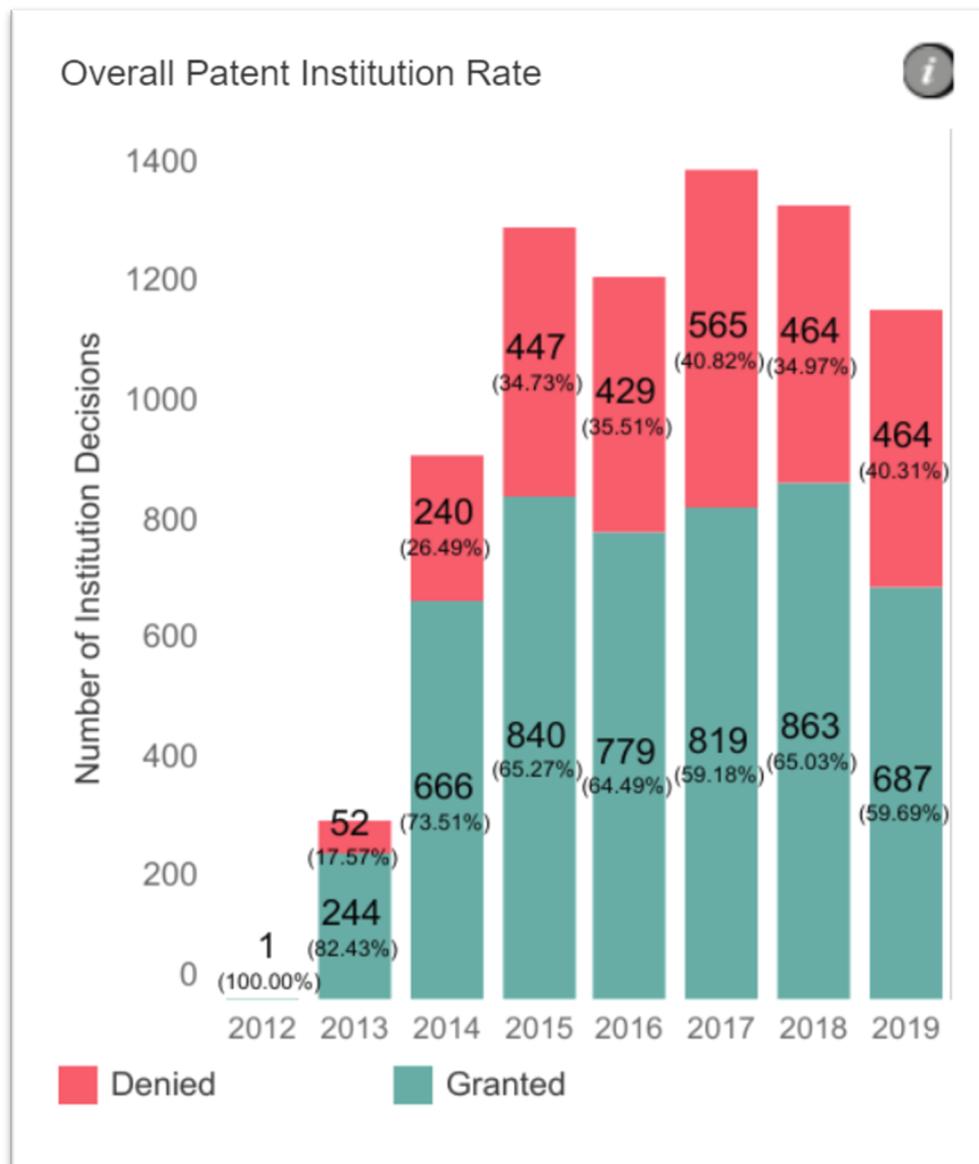
# PTAB Filing Trends

New PTAB Petitions (CBM, IPR, PGR)



## IPR Institution rates since 2015: 60%-65%

Source: Docket Navigator 2019 Year in Review (YIR)



# RECENTLY DESIGNATED DECISIONS

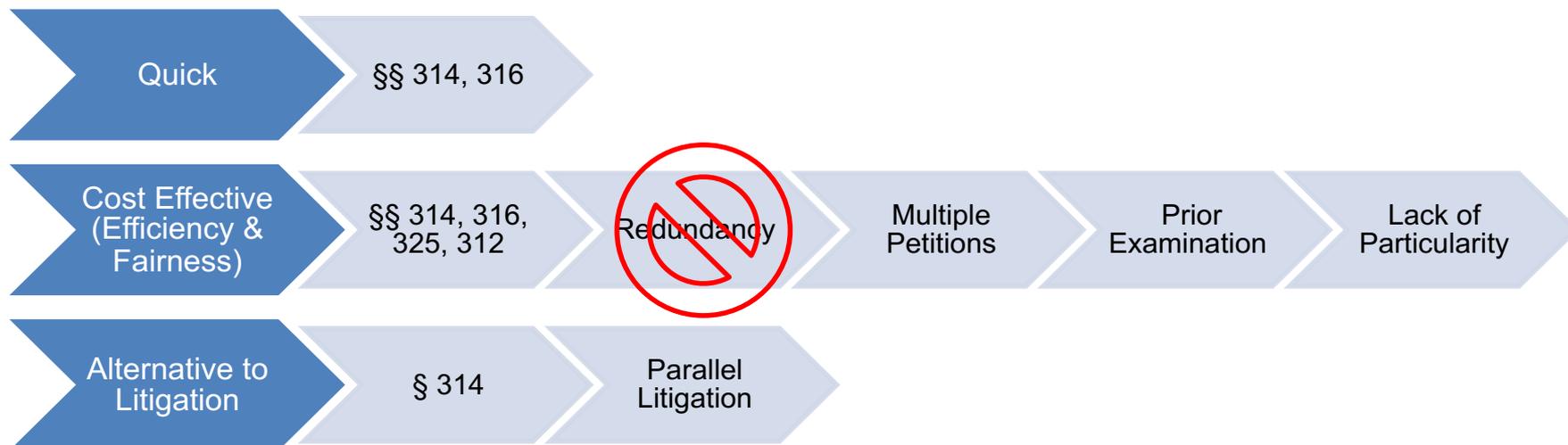
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## DISCRETIONARY DENIALS

"Post grant reviews were meant to be 'quick and cost effective alternatives to litigation.'"

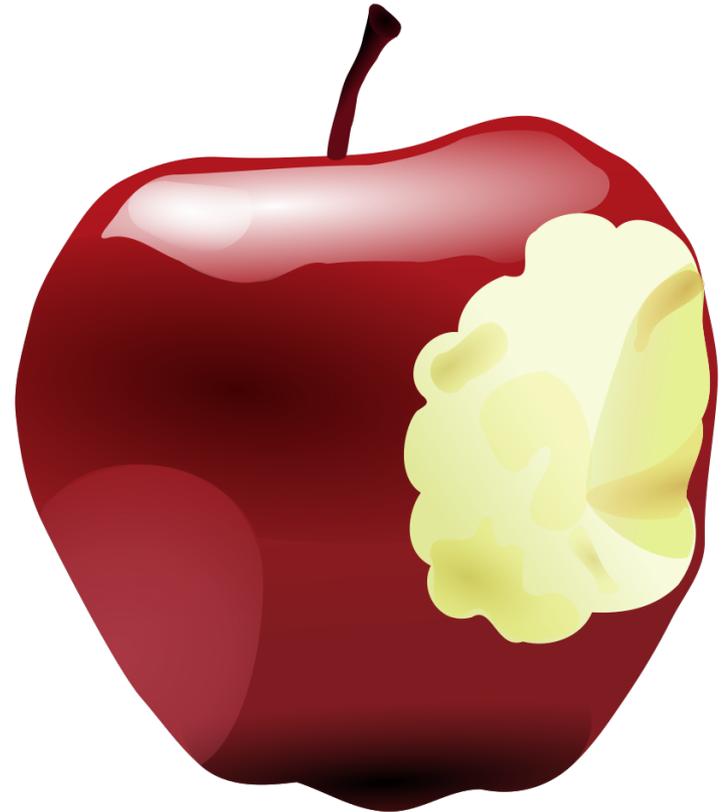
Consolidated Trial Practice Guide (CTPG) at 56, quoting AIA Legislative History.

## Goals > Statute >>> Doctrine



# 1. Multiple Petitions

- "Based on the Board's experience, **one petition should be sufficient** to challenge the claims of a patent in most situations." CTPG at 59
- "**Two or more petitions** filed against the same patent . . . may place a substantial and unnecessary burden on the Board and the patent owner and could **raise fairness, timing, and efficiency concerns**. See 35 U.S.C. § 316(b)." CTPG at 59
- Series & Parallel Petitions



# 1.A. Series Petitions

## General Plastics Factors

1. Whether the same petitioner previously filed a petition directed to the same claims of the same patent;
2. Whether at the time of filing of the first petition the petitioner knew of the prior art asserted in the second petition or should have known of it;
3. Whether at the time of filing of the second petition the petitioner already received the patent owner's preliminary response to the first petition or received the Board's decision on whether to institute review in the first petition;
4. The length of time that elapsed between the time the petitioner learned of the prior art asserted in the second petition and the filing of the second petition;
5. Whether the petitioner provides adequate explanation for the time elapsed between the filings of multiple petitions directed to the same claims of the same patent;
6. The finite resources of the Board; and
7. The requirement under 35 U.S.C. § 316(a)(11) to issue a final determination not later than 1 year after the date on which the Director notices institution of review.

[Gen. Plastic Indus. Co. v. Canon Kabushiki Kaisha](#) (Precedential)

## General Plastics

Factor 1. "Whether the same petitioner previously filed a petition directed to the same claims of the same patent"

Expand 1st factor to different petitioners:

- **[Valve Corp. v. Elec. Scripting Prods., Inc.](#)**, ("Valve 1")  
(Precedential) - Expand 1<sup>st</sup> GP factor to different (co-defendant) Petitioner.
- **[Valve Corp. v. Elec. Scripting Prods., Inc.](#)**, ("Valve 2")  
(Precedential) – Expand 1<sup>st</sup> GP factor to different (joined) Petitioner.

## 1.B. Parallel Petitions

- "To aid the Board in determining whether more than one petition is necessary, if a petitioner files **two or more petitions** challenging the same patent, then the petitioner should, in its petitions or in a separate paper filed with the petitions, identify:
  - (1) a ranking of the petitions in the order in which it wishes the Board to consider the merits, if the Board uses its discretion to institute any of the petitions, and
  - (2) a succinct explanation of the differences between the petitions, why the issues addressed by the differences are material, and why the Board should exercise its discretion to institute additional petitions if it identifies one petition that satisfies petitioner's burden under 35 U.S.C. § 314(a)." CTPG at 59-60 citing *Comcast Cable Commc'ns, LLC v. Rovi Guides, Inc.*, Case IPR2019-00224, -00225, -00226, -00227, -00228, -00229 (PTAB April 3, 2019) (Paper 10).
- "[I]t will be expected that petitioners will justify multiple petitions in the first instance in their petitions or in a separate paper [of no more than 5 pages] with the petitions, and patent owners will respond in their preliminary responses or in a separate paper with their preliminary responses." CTPG at 60, FN 4.

## 2. Prior Examination

### 35 USC 325(d)

- "In determining whether to institute or order a proceeding . . . the Director may take into account whether, and reject the petition or request because, **the same or substantially the same prior art or arguments previously were presented to the Office.**"

### *Becton Dickinson Factors:*

- (1) the similarities and material differences between the asserted art and the prior art involved during examination;
- (2) the cumulative nature of the asserted art and the prior art evaluated during examination;
- (3) the extent to which the asserted art was evaluated during examination, including whether the prior art was the basis for rejection;
- (4) the extent of the overlap between the arguments made during examination and the manner in which the petitioner relies on the prior art or patent owner distinguishes the prior art;
- (5) whether the petitioner has pointed out sufficiently how the examiner erred in its evaluation of the asserted prior art; and
- (6) the extent to which additional evidence and facts presented in the petition warrant reconsideration of the prior art or arguments.

[Becton, Dickinson & Co. v. B. Braun Melsungen AG](#) (Precedential)

## 2. Prior Examination (of different patent)

- In *Becton Dickinson*, the Board denied institution based on the prior examination of the challenged patent's parent application.
- “We are not persuaded on this record that rearranging previously substantively considered prior art, and advancing essentially the same positions raised by the Examiner during prosecution of the parent application, presents persuasive new evidence of unpatentability that was not evaluated previously by the Office.”

[Becton, Dickinson & Co. v. B. Braun Melsungen AG](#) (Informative)

# 3. Parallel Litigation

## Consolidated Trial Practice Guide (CTPG)

- The Board may deny institution under 35 U.S.C. § 314 based on "events in other proceedings related to the same patent, either at the Office, in district courts, or the ITC" that effect "the economy, the integrity of the patent system, the efficient administration of the Office, and the ability of the Office to timely complete proceedings,' 35 U.S.C. § 316(b)." CTPG at 58.

## *NHK Spring Co., Ltd. V. Intri-Plex Techs., Inc.,*

- The Board found that the advanced state of a parallel district court proceeding, e.g., the district court proceeding involved the same prior art and arguments, had already construed claim terms, and was set for trial six months before the Board would complete its own proceeding, was an additional factor weighing in favor of denying institution under § 314(a). [\*NHK Spring Co., Ltd. v. Intri-Plex Techs., Inc.\*](#), (Precedential).
- Future Factors, see EX. IPR2019-00913, Paper 10.

## 4. Lack of Particularity

### 35 USC § 312(a)(3)

- "A petition filed under section 311 may be considered only if . . . the petition identifies, in writing and with particularity, each **claim** challenged, the **grounds** on which the challenge to each claim is based, and the **evidence** that supports the grounds for the challenge to each claim."

### Cons. Trial Practice Guide (CTPG)

- "[P]arties should avoid submitting a repository of all the information that a judge could possibly consider, and instead focus on concise, well-organized, easy-to-follow arguments supported by readily identifiable evidence of record." CTPG at 39

## 4. Lack of Particularity

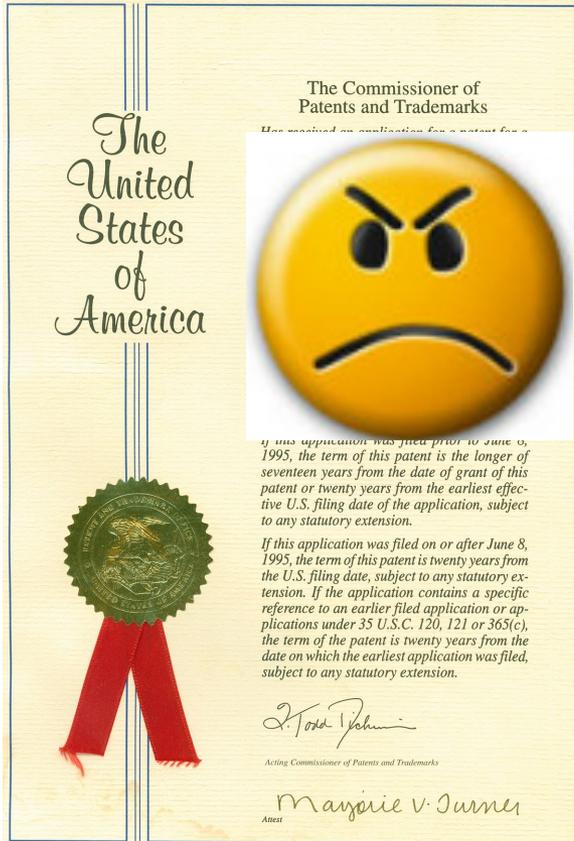
### Grounds: *Adaptics Ltd. v. Perfect Co.*

- Board denied institution because the petition failed to identify grounds with particularity. [Adaptics Ltd. v. Perfect Co.](#), (Informative.)
- Grounds: A, B, C "and/or" D.

### Evidence: *Hulu, LLC v. Sound View*

- The Precedential Opinion Panel (POP) reversed the Board's decision denying institution. The POP clarified that a petitioner must identify, with particularity, evidence sufficient to establish a reasonable likelihood that the reference was publicly accessible before the critical date of the challenged patent and therefore that there is a reasonable likelihood that it qualifies as a printed publication. [Hulu, LLC v. Sound View Innovations, LLC](#), (POP Decision)

# Pre-Institution Strategies



Bad Patent

VS



Unfair Petition

# POST GRANT CLAIM AMENDMENTS

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1. IPR
2. REISSUE
3. REEXAM

# PTAB MTAs (Sept. 2018)



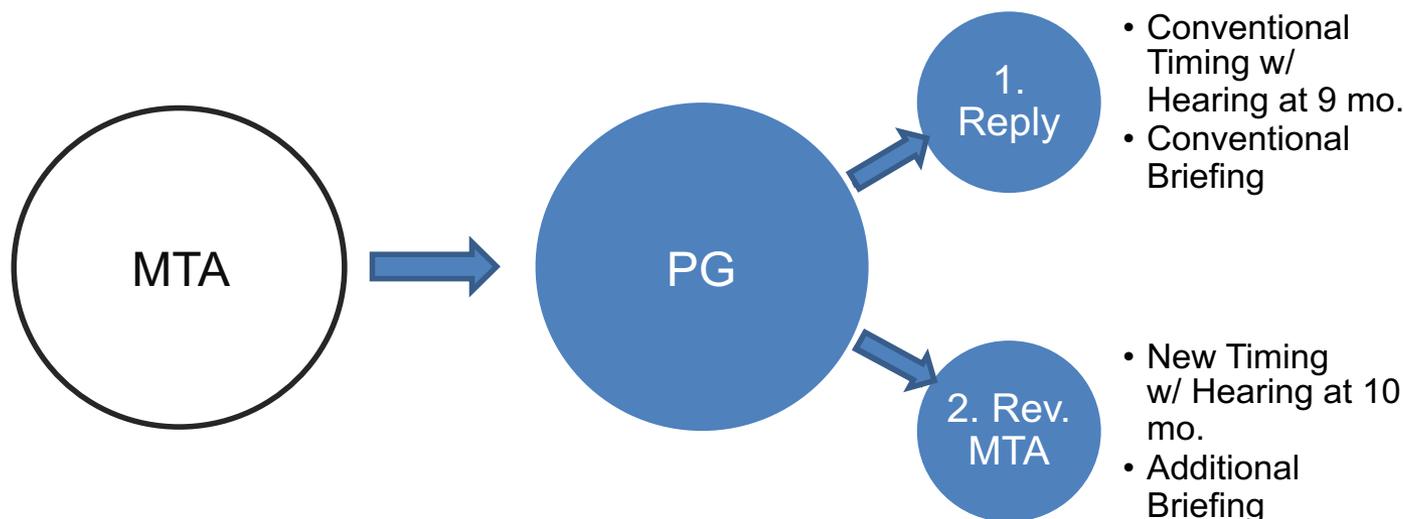
Source: PTAB MTA Study through FY 2018

# PTAB MTAs (Sept. 2018)

- Total AIA Trials: 4,269
- MTAs filed: 416
  - Pending Trials with MTA: 90
  - Completed Trials with MTA: 326
    - MTA substitute claims decided: 205
      - Granted: 8
      - Granted in part: 13
      - Denied: 184
- Why were MTAs under the old system unsuccessful?
  - PO files MTA after DI
  - No feedback from the Board on MTA before the hearing

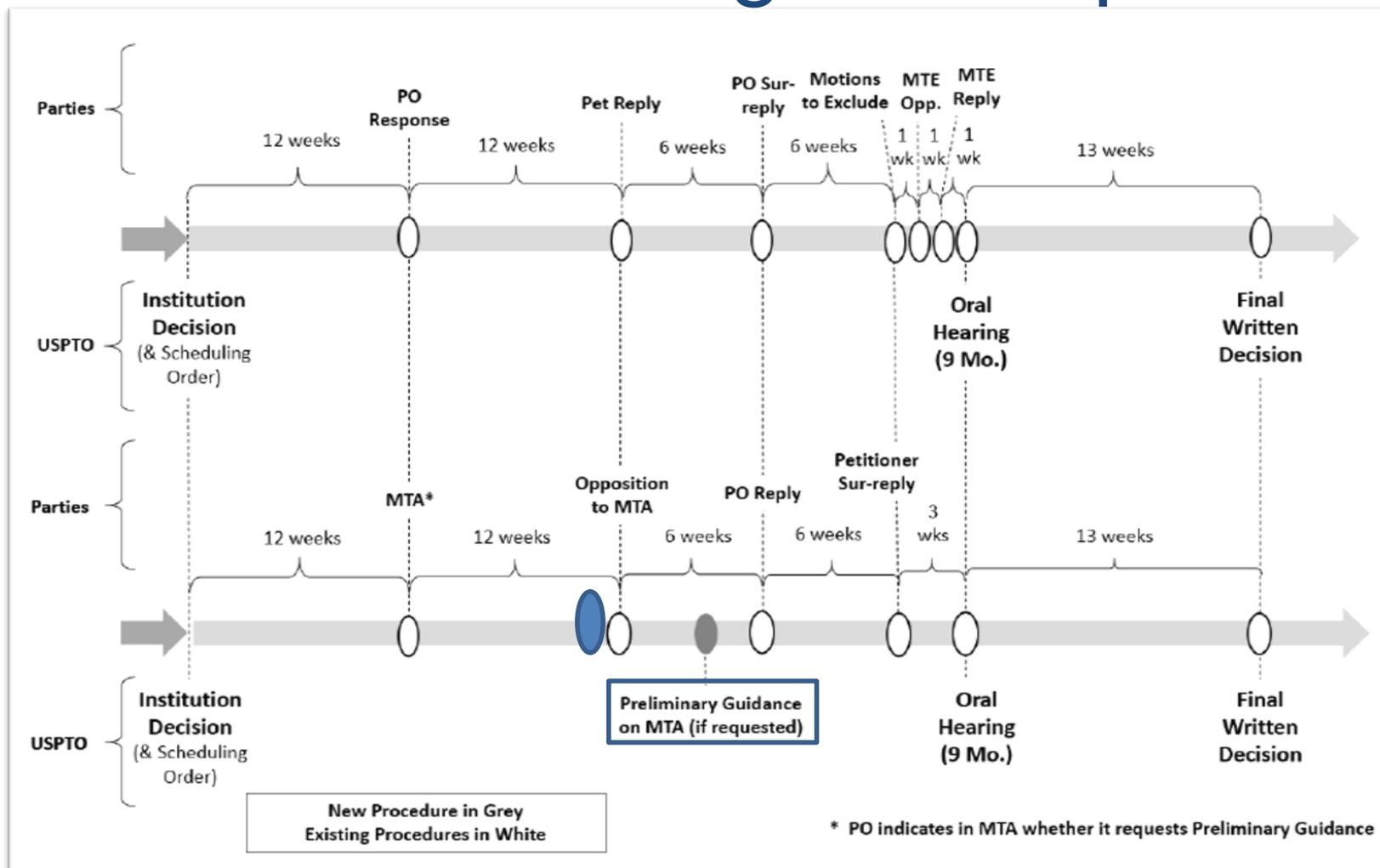
# PTAB MTA Pilot Program

- Applicability Date: Trials instituted after March 15, 2019
  - Option 1 - Preliminary Guidance (PG) on motion to amend (MTA)
  - Option 2 – PG and Revised MTA



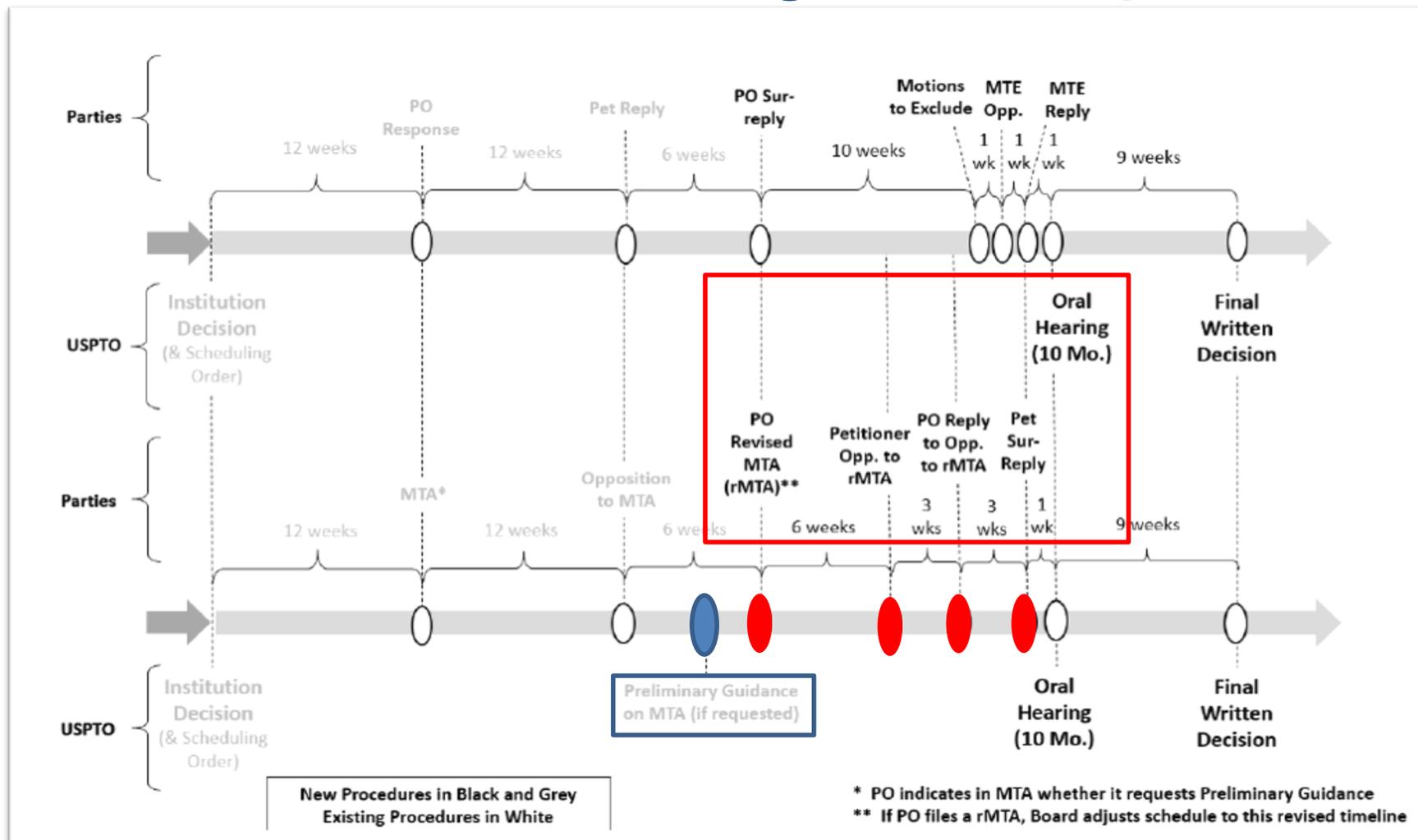
Source: 84 Fed. Reg. 9497-9507 (Mar. 15, 2019).

# PTAB MTA Pilot Program – Option 1



Source: 84 Fed. Reg. 9497-9507 (Mar. 15, 2019).

# PTAB MTA Pilot Program – Option 2



Source: 84 Fed. Reg. 9497-9507 (Mar. 15, 2019).

Trials@usj  
571-272-71

II. PRELIMINARY GUIDANCE

A. Statutory and Regulatory Requirements

For the reasons discussed below, at this stage of the proceeding, and based on the current record, Patent Owner appears not to have shown a reasonable likelihood that it has satisfied the statutory and regulatory requirements associated with filing a motion to amend under 35 U.S.C. § 316(d)(3) and 37 C.F.R. § 42.121(a)(2)(ii).

1. Reasonable Number of Substitute Claims

**Does Patent Owner propose a reasonable number of substitute claims? (35 U.S.C. § 316(d)(1)(B))**

Yes. Patent Owner proposes one substitute claim for each of five challenged claims. Mot. 14–18. Petitioner does not argue otherwise. *See generally* Opp.

2. Respond to Ground of Unpatentability

**Does the Motion respond to a ground of unpatentability involved in the trial? (37 C.F.R. § 42.121(a)(2)(i))**

Yes. Patent Owner responds to grounds of unpatentability at pages 13–19 of the Motion. Petitioner does not argue otherwise. *See generally* Opp.

3. Scope of Amended Claims

**Does the amendment seek to enlarge the scope of the claims? (35 U.S.C. § 316(d)(3); 37 C.F.R. § 42.121(a)(2)(ii))**

No. The proposed substitute claims retain all claim limitations of their corresponding challenged claims and include narrowing limitations. *See* Mot., App’x A. Petitioner does not argue otherwise. *See generally* Opp.

4. New Matter

**Does the amendment seek to add new subject matter? (35 U.S.C. § 316(d)(3); 37 C.F.R. § 42.121(a)(2)(ii))**

Yes. On this record, Patent Owner does not appear to have sufficiently identified adequate written description support for substitute claims 20–24. *Lectrosonics*, Paper 15, 7 (requiring Patent Owner to “set forth written description support in the originally filed disclosure of the subject patent for each proposed substitute claim, and also set forth support in an earlier filed disclosure for each claim for which benefit of the filing date of the

## B. Patentability

For the reasons discussed below, based on the current record,<sup>1</sup> it appears that Petitioner (or the record) has shown a reasonable likelihood that proposed substitute claim 23 is unpatentable for obviousness, and claims 23 and 24 are unpatentable for indefiniteness.

**Does the record establish a reasonable likelihood that the proposed substitute claims are unpatentable?**

### I. Obviousness

No for claims 20–22 and 24, and yes for claim 23. On this record, it does not appear that Petitioner or the record has shown a reasonable likelihood that proposed substitute claims 20–22 and 24 are unpatentable as obvious on the following grounds:

IPR2019-00143  
Patent 8,441,438 B2

Before PATRICK M. BOUCHER, KAMRAN JIVANI, and  
CHRISTOPHER L. OGDEN, *Administrative Patent Judges*.

OGDEN, *Administrative Patent Judge*.

PRELIMINARY GUIDANCE  
PATENT OWNER'S MOTION TO AMEND

### II. Indefiniteness

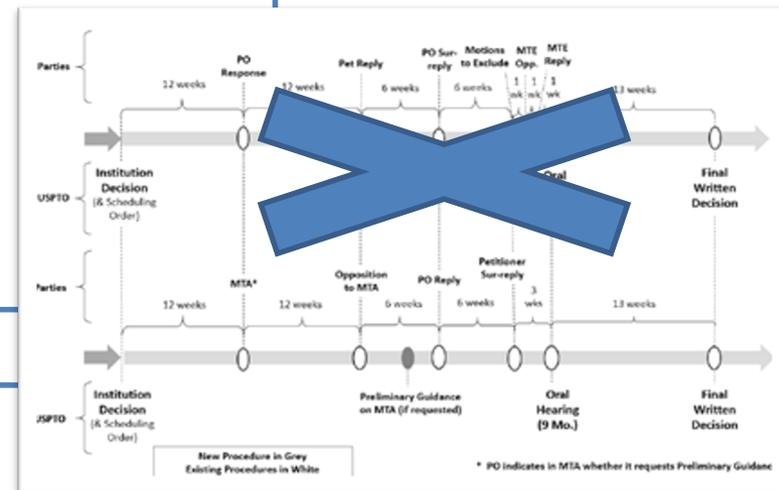
Yes as to claims 23 and 24. The phrase “utilizing elements of an Extended Kalman Filter,” as recited in substitute claims 23 and 24 appears to be indefinite under 35 U.S.C. § 112, paragraph 2. It is unclear to a person of ordinary skill in the art what qualifies as an “element” of an Extended Kalman Filter, and which particular elements are included or excluded by the claims. *See In re Packard*, 751 F.3d 1307, 1313 (“[C]laims are required to be cast in clear—as opposed to ambiguous, vague, indefinite—terms.”); *see also Nautilus, Inc. v. Biosig Instruments, Inc.*, 572 U.S. 898, 901 (2014) (claims must “inform those skilled in the art about the scope of the invention with reasonable certainty”).

Stats

- 51 MTAs filed since March 15, 2019
- 20 PGs issued:
  - 65% PO won on statutory/regulatory
  - 5% PO won on statutory/regulatory & patentability
- 15 Cases reached next stage:
  - 13% PO filed reply (option 1)
  - 80% PO filed rMTA (option 2)
  - 0% PO did nothing (option 3)
  - 7% PO withdrew (option 4)
- First FWDs due in April 2020

Managing Cost/Complexity

- Contingent vs Non-Contingent
- Schedule Depos early
- Split Oral Argument



	IPR - MTA	Reissue	Reexam
Result	Certificate in original patent	Reissue new patent	Certificate in original patent
Threshold	Stat./Reg. Requirements	“Error” [low threshold]	Substantial New Question (“SNQ”)
Reset 1y bar?	No	Yes (new patent)	No
Scope of Review	Limited	Any	Limited
Claim Scope	Narrow	Broaden*, Narrow	Narrow
Other <i>Partes</i>	Inter	Ex, w/ limited 3P Protest	Ex
Cost to amend	High	Med/High	Med/High
When Filed	After Institution	Anytime	Anytime
Timing	Fast (slow if appeal)	Med	Med

# CONSTITUTIONAL ISSUES & STATUTORY ISSUES

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# Constitutionality of PTAB Judges

## *Arthrex, Inc. v. Smith & Nephew*

**Holding:** APJs had been improperly serving as principal officers, since they didn't have enough supervision from the USPTO director to be considered inferior officers.

Arthrex didn't raise this issue before PTAB

## *Polaris v. Kingston Technology Co.*

Polaris raised issue during PTAB trial.

Polaris argued:

- There needs to be effective mechanism by the Executive Branch to review PTAB decisions
- IPR system must be found unconstitutional until Congress can pass a new law addressing judicial appointment and review



# Petitioner Estoppel

## 35 USC § 315

- "The petitioner in an inter partes review of a claim in a patent under this chapter that results in a final written decision . . . , may not assert either in a civil action . . . that the claim is invalid on any ground that the petitioner raised or reasonably could have raised during that inter partes review."

## *Asetek Danmark A/S v. Coolit Sys.* (N.D. Cal., Dec. 2019)

- **Holding:** Petitioner estoppel extends to grounds that reasonably could have been but were not raised in a petition for IPR.

Narrow

Broad



N.D. Cal. (Pre-SAS)

N.D. Cal. (Post-SAS)

E.D. Texas

E.D. VA

D. Mass

# 2020

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## PREDICTIONS

## Predictions

- IPR filings will decrease, especially for multiple petitions challenging a single patent
- PGR filings will remain low
- PTAB will expand discretionary denials & develop new doctrines
- PTAB grant rates for MTAs will increase, then MTA filings will increase
- PTAB will release an *Arthrex* solution
- Motions to transfer venue to N.D. Cal. will decrease

## Cases to Watch

- *Thryv Inc. v. Click-To-Call Technologies LP* (SCOTUS)
- *Hunting Titan, Inc., v. Dynaenergetics GMBH & Co. KG*, IPR2018-00600 (PTAB)
- *Mylan Pharmaceuticals Inc. et al v. Sanofi-Aventis Deutschland GmbH et al*, IPR2018-01679, -1680, -1682 (PTAB, PG w/ rMTA) (April 2020)
- *FormFactor, Inc. v. Feinmetall GmbH et al*, IPR2019-00080, -0081, -0082 (PTAB, PG w/ rMTA) (April 2020)

