

Post Issuance Proceedings Under the AIA

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Agenda

- **AIA's post issuance provisions**
- **The “trial” procedures**
- **Strategy**
- **Additional resources**

History of Post Issuance

- **Interferences**
 - which of two entities invented it first?
- **Reissues**
 - patent owner asks PTO to correct a defect
- **Ex parte reexam (1981)**
 - Examiner considers “substantial new question of patentability” relating to published prior art
- **Inter parties reexam – APLA of 1999**
 - like ex parte, but w/ input from requestor & estoppel
- **AIA (2011)**
 - post issuance proceedings added due to shortcomings in existing reexamination

AIA's Post Issuance Provisions

- **Discontinued**
 - Interferences – only available if app had pre-AIA claim
 - Inter Parties Reexamination
- **New** (as of 9/16/12)
 - Derivation
 - Post Grant Review (PGR)
 - Transitional Post Grant Review for Business Method Patents (TPGRBM)
 - Inter Parties **Review** (IPR)
 - Supplemental Examination
- **Still available**
 - Ex parte reexam and Reissue

AIA Post Issuance Provisions

PGR for Business Method Patents

- regarded as PGR and uses standards & procedures of PGR
 - but applies to all BMP w/o regard to date or 9 month window
- definition of “business methods”:
 - method or corresponding apparatus for “operations used in the practice, administration, or management of a financial product or service”
 - excludes “technological inventions” – defined by PTO regulations as one that “recites a technological feature that is novel and unobvious over the prior art, and solves a technical problem using a technical solution”
- sunsets after 8 years (“transitional”)

AIA's Post Issuance Provisions

| | PGR | IPR | TPGRBM | Ex Parte reexam |
|------------------|-------------------------------|---|------------------------------------|-----------------|
| Eligible | FTF patents | all patents | BM patents | all patents |
| Who | not patent owner | not patent owner | party sued (or charge of infringe) | anyone |
| Timing | by 9 month of patent issuance | 9 months after issue if FTF & 1 yr of suit | any time | any time |
| Threshold | more likely than not | reasonable likelihood | more likely than not | SNQP |

AIA's Post Issuance Provisions

| | PGR | IPR | TPGRBM | Ex Parte |
|-------------------------|---|---|---|-----------------------------------|
| Grounds | essentially anything | 102/103 on patents & pubs | anything, but limits 102 for non-FTF | 102/103 patents & pubs |
| Proceeding | PTAB | PTAB | PTAB | Examiner |
| Estoppel (court) | raised or reasonably could have raised | raised or reasonably could have raised | actually raised | NA (but) |
| Estoppel (PTO) | | | raised or reasonably could have raised | built into threshold |

AIA's Post Issuance Provisions

| | PGR | IPR | TPGRBM | Ex Parte |
|----------------------------|---|---|---|-------------------------|
| Duration | 1 yr (or 1.5 if good cause) | 1 yr (or 1.5 if good cause) | 1 yr (or 1.5 if good cause) | special dispatch |
| Requestor anonymous | must reveal real party in interest | must reveal real party in interest | must reveal real party in interest | yes |
| Parallel litigation | no stay of patent owner action | no stay of patent owner action | codifies factors for granting a stay | none |
| Fees + ECF | \$30,000 | \$23,000 | \$30,000 | \$17,750 |

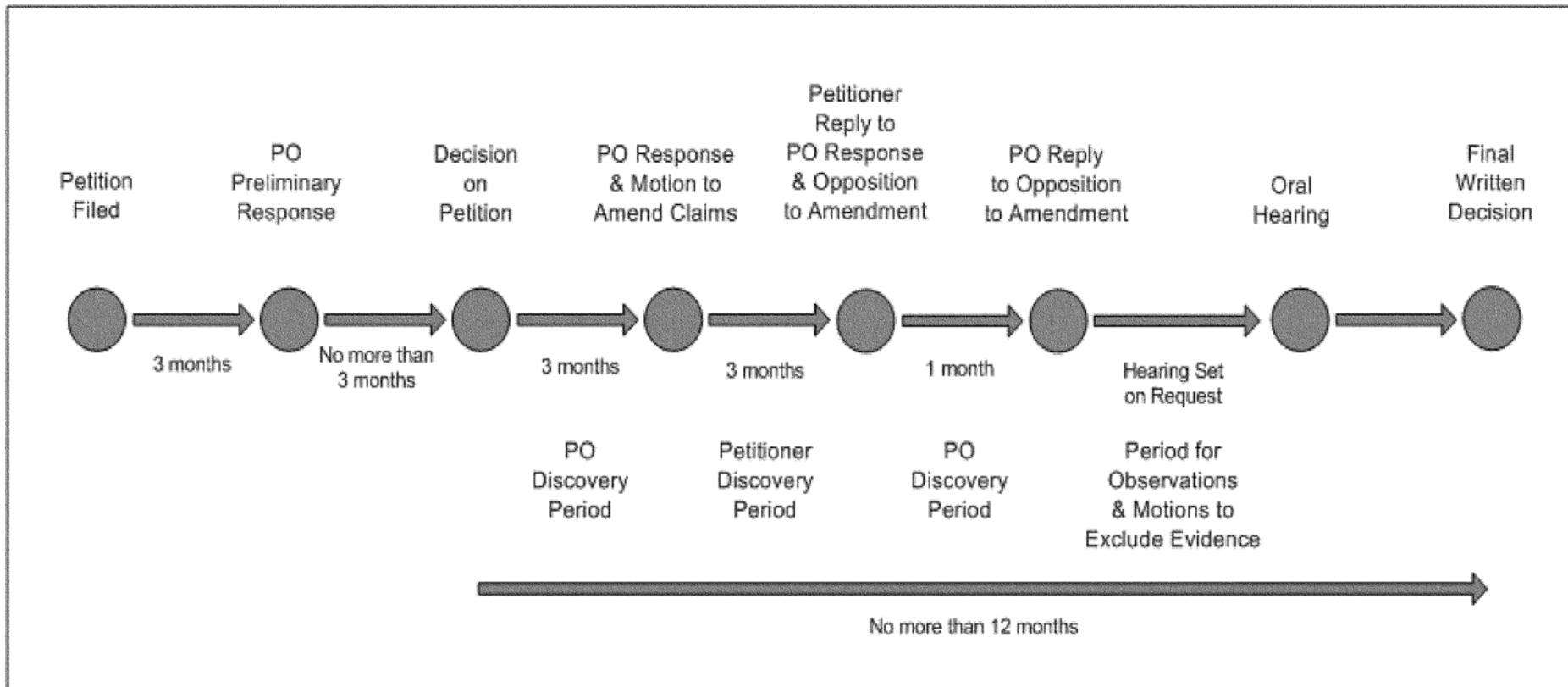
Number of AIA Proceedings

- **Inter Parties Reexamination**
 - must have been filed by 9/15/12
 - average about 20-30 / month for last 4 years
- **Inter Parties Review (IPR)** (started 9/16/12)
 - PTO expects 420/450/500 / year in 2013 / '14/ '15
 - 73 requests filed as of Dec 18, 2012
- **Post Grant Review** (only for FTF patents)
 - PTO expects 0/10/60 / yr in 2013 / '14/ '15
- **PGR for BM Patents** (started 9/17/12)
 - PTO expects 50 petitions/ yr for 2013 - '15
 - 15 requests filed as of Dec 18, 2012

Procedures - Resources

- **Rules (37 CFR part 42)**
 - Trail Practice Before the PTAB
 - subpart A - common to all trial proceedings
 - subpart B - specific to inter partes review
 - subpart C - specific to post grant review
 - subpart D - specific to PGR of business method patents
- **Federal Register Notices**
 - Office Trial Practice Guide
 - proposed and final rulemakings
- **AlA Implementation microsite**
- **Patent Trial and Appeal Board microsite**
 - Board Trial Rules and Practice Guide
 - Patent Review Processing System
- **Bitlaw AlA page**

Sample Timeline (from Practice Guide)



Procedures

- **Grounds for challenge set out in petition**
- **Loosely based on interference rules**
 - APJs very involved & may waive rules
- **Very limited discovery (*but see Cordis*)**
 - depositions of affiants
 - must produce contradictory evidence
 - additional discovery & initial disclosures if agreed
- **Generally no live testimony**
 - direct by affidavit, cross by depo
 - FRE applies
- **Patent owner's limited ability to replace claims**
 - amendments may not enlarge scope of claims

Strategy

- **When would you use the new procedures?**
 - after you are sued?
 - costs less than court (but not if both at same time)
 - estoppel
- **Plus - easier burden & savvy APJs**
- **Minus - concern about amendments**
- **Are 3 month response times good for you?**
- **Interplay with parallel District Ct action**
 - claim construction (broadest reasonable inter)
 - can you get a stay?
- **What discovery do you need?**

Thank You!

Ken Corsello is the IP Law Site Counsel for IBM's Fishkill, NY location. The views expressed in this presentation are Ken's views and do not necessarily reflect those of IBM.

Backup Material - Details

■ Inter Partes Review

- **Timing:** Any person who is not the patent owner may petition for review 9 months or more after issuance of the patent
- **USPTO Proceedings:** Handled by the Board
- **Threshold:** The Director may not authorize review unless there is a “reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.”
- **Grounds:** 102 & 103 only; based on patents and printed publications only; and limited discovery
- **Estoppel** with respect to later infringement litigation: Issues actually raised or “reasonably could have raised.”
- **Parallel litigation:** Limitations for filing petitions when suit is pending in court (1 year after complaint filed by patentee)
- **Eligibility:** As of the effective date (1 year after enactment), applies to all issued patents
- **Duration:** Must be completed within one year (or 1.5 years if good cause)
- **No Anonymity:** Must reveal real party of interest
- **Volume:** Director may limit number of reviews conducted on a per year basis for 4 years following effective date (but can not be less than number in fiscal year prior to enactment)

Backup Material - Details

■ Post Grant review (no analog in old US law)

- **Timing:** Any person who is not the patent owner may petition for review within 9 months of issuance of the patent
- **USPTO Proceedings:** Handled by the Board
- **Threshold:** The Director may not authorize review unless “the information presented in the petition...if such information is not rebutted, would demonstrate that it is more likely than not that at least 1 of the claims challenged in the petition is unpatentable.”
- **Grounds** for invalidity broad--includes any grounds under 282(b)(2) and (3), essentially any grounds that could be raised in litigation; as well as novel or unsettled legal questions; and fact discovery allowed
- **Estoppel** with respect to later infringement litigation: Issues actually raised or “reasonably could have raised.”
- **Parallel litigation:** Limitations for filing petitions when suit is pending in court
- **Eligibility:** Application of this section linked to application of new 102—i.e. only to patents issuing from applications filed 18 months or more after enactment
- **Duration:** Must be completed within one year (or 1.5 years if good cause)
- **No Anonymity:** Must reveal real party of interest
- **Volume:** Director may limit number of reviews conducted on a per year basis for 4 years following effective date

Backup Material – Resources ([back](#))

- **PTO AIA microcite**

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

- **PTAB microcite**

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

- **Final Rules and Practice Guide**

- Changes to Implement Inter Partes Review Proceedings, Post-Grant Review Proceedings, and Transitional Program for Covered Business Method Patents, 77 Fed. Reg. 48679 (Aug 14, 2012)

- Rules of Practice for Trials before Patent Trial and Appeal Board and Judicial Review of Decisions, 77 Fed. Reg. 48611 (Aug 14, 2012)

- Transitional Program for Covered Business Method Patents--Definitions of Covered Business Method Patent and Technological Invention, 77 Fed. Reg. 48733 (Aug 14, 2012)

- Office Patent Trial Practice Guide, 77 Fed. Reg. 48755 (Aug 14, 2012)

- **Bitlaw AIA page**

- <http://www.bitlaw.com/source/35usc-after-america-invents-act/index.html>