

Post-Grant Review AIA Section 6



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slides available at <http://karl.us/pgr.pdf>

Overview of Post Grant Review

2

- **Leahy-Smith America Invents Act, Section 6**
 - Adds Chapter 32 to Patent Code, § 321 et seq.
- **Major differences between PGR and Reexamination**
 - More grounds for opposition to issued patent
 - Greater participation by challenger
 - Trial-like proceedings
- **Rationales for PGR**
 - Review of poor quality patents
 - More expedient than judicial determinations

Grounds for Post-Grant Review

3

- Same as Defenses to Infringement [§ 282(b)]
 - Invalidity of a claim (§ § 101, 102, 103)
 - Inadequate disclosure (§ 112 - written description / enablement)
 - ✦ In original or reissued patent [§ 251]
 - ✦ Except for failure to set forth “best mode”
 - *§ 101 and 112 challenges were not available in reexamination*

Prior Art Available in PGR

4

- Patents and printed publications [§ 322(a)(3)(A)]
- Other factual evidence of invalidity [§ 322(a)(3)(B)]
 - Including statements of the patentee before a court or PTO regarding the scope of a claim [§ 301(b)]
- Expert opinion relevant to patentability
 - *Compare reexamination (only patents & printed publications)*

Post-Grant Review Procedures

5

- Petition (by 3rd party)
 - Within 9 months of patent issue or reissue (broadened claims)
 - ✦ [*compare “2nd window” in ‘07 PRA*]
 - Filing fee
 - Contents (identified with particularity)
 - ✦ Each claim challenged
 - ✦ Grounds for each challenge
 - ✦ Supporting evidence challenger relies on
- Preliminary response by patentee
- Threshold determination by Director
 - < 3 months of patentee’s response (or expiration of time)

Threshold Determination by Director

6

- Required finding by Director [§ 324(a)]
 - (a) more likely than not that at least 1 of the claims challenged in the petition is unpatentable (considering just the petition)
 - ✦ but may reject the petition if substantially the same prior art or arguments were previously presented to the Office [§ 325(d)]
 - ✦ *compare reexamination: “substantial new question of patentability”*
 - (b) the petition raises a novel or unsettled legal question that is important to other patents or patent applications.
- Director’s Decision is Unreviewable [§ 324(e)]
- Procedural matters
 - Director may authorize joinder of multiple petitions [§ 325(c)]
 - May consolidate or sequence multiple proceedings [§ 325(d)]

Procedures Once PGR is Authorized

7

- Merits response by patentee
- Reply by petitioner
- Limited discovery
- Amendment, cancellation or substitution of claims
 - Patentee may file 1 motion to amend (more if good cause)
 - Joint request (patentee/petitioner) to advance settlement
 - May not enlarge scope of claims or introduce new matter
- Adjudicated by Patent Trial & Appeal Board
 - Bypasses examiners & CRU (*compare reexamination*)
 - Petitioner participates (*limited role in ex parte & inter partes*)
 - Petitioner bears Burden of Proof [§ 326(e)]
 - ✦ “Preponderance of the evidence”

Proposed PGR & Trial Rules

8

- **NPRM – Jan. 31, 2012 [comments due Apr. 10]**
 - New subpart A to 37 C.F.R. Part 42 - Trial Procedures generally
 - New subpart B – *inter partes* reexamination
 - New subpart C – PGR [37 C.F.R. § 42.200, et seq.]
 - New subpart D – transitional rules for Class 705 Business Method patents
- **Most interferences commenced before Sept. 16, 2012 to proceed**
- **Expect most PGRs in 2013 to be for Covered Business Methods**

Key (proposed) Rules

(other than those mandated by AIA)

9

- Petitioner must demonstrate standing to file PGR
- Patentee's initial response, if any, within 2 months
 - More like OpCert than merits brief; no amendments allowed
 - Authorization for PGR can be on fewer claims than challenged
- Claims to be give broadest reasonable construction
- Discovery
 - Reject Federal Court model (too expensive and prone to abuse)
 - Limited discovery as of right (good cause for additional)
 1. Production of exhibits cited in pleadings or testimony
 2. Cross-examination of declarants (may be before APJ)
 3. Info that is consistent with a position advanced during the PGR
- Counsel (pro hac vice permitted)

Decision by PTAB and Appeal

10

- PTAB Decision within 1 year
 - Director may extend by 6 months for good cause
- Certificate (upon final determination)
 - Canceling claims found to be unpatentable
 - Confirming claims found to be patentable
 - Conforming the Patent to new and amended claims
 - ✦ same effect as reissued patent
- Any dissatisfied party may appeal to CAFC
 - All PTO parties may be party to the appeal
 - *compare reexamination: requestor could not appeal*

Relation between Civil Action & PGR

11

- **Petitioner* seeks Declaratory Relief before filing PGR**
 - PGR may not be filed
- **Petitioner* seeks Declaratory Relief after filing PGR**
 - Automatic stay of Court action
 - Stay lifted upon dismissal, motion to court or infringement suit
- **Infringement action either before or after PGR filed**
 - PGR may proceed, even if counter-claim raised by petitioner
- **Preliminary injunction is sought in infringement case**
 - If case filed within 3 months of patent issue, court may not stay consideration (of PI) pending resolution of PGR

Estoppel

12

- *Res Judicata* of final PGR decision
 - Bars subsequent PTO action “on any ground ... petitioner raised or reasonably could have raised during that post-grant review”
 - ✦ Applies only to claims in issue, not entire patent
 - Bars petitioner from asserting invalidity in any subsequent civil action or ITC proceeding
 - No estoppel if PGR is settled before decision [§ 327]
 - *broader than estoppel in ex parte reexam*
- * Petitioner includes real party in interest & privies

Regulations

13

- **Substantive rule making**
 - Standards for PGR threshold
 - Sanctions for abuse (including delaying tactics by infringers)
- **Evidentiary standards**
 - Including discovery
- **Procedural standards**
 - Generally
 - Supplemental (post-initiation) filings
- **Mandatory considerations by the Director**
 - “the effect of any such regulation on the economy, the integrity of the patent system, the efficient administration of the Office, and the ability of the Office to timely complete proceedings”

Effective Date & Transition to PGR

14

- Applies only to FITF applications after March 16, 2013
- Limit on number of PGR proceedings (through 2016)
- Interferences
 - May be dismissed without prejudice or allowed to continue
 - Transferred from BPAI to PTAB
- Special Transitional PGR for Financially-Related Business Method Patents
 - Applies to existing patents
 - Can be filed only once an infringement action is commenced
 - Special prior art challenges, judicial stay & estoppel rules
 - Takes effect Sept. 16, 2012; Expires after 8 years