



Post-Grant for Practitioners: 2022 Year in Review

January 31, 2023

FISH.

Meet The Speakers



Karl Renner
Dallas, TX



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Wilmington, DE

Post-Grant for Practitioners: Overview

- **Topics**
 - Important Decisions
 - Legislative and Policy Developments
 - Practice Tips
- **Housekeeping**
 - CLE
 - Contact: mcleteam@fr.com
 - Questions
 - Materials
 - <https://www.fr.com/services/post-grant/>



Post-Grant for Practitioners | Evidentiary Extravaganza!

Thursday, March 16, 2023 | 1:30 – 2:30 p.m. ET

Join us on March 16 as Dan Smith and Karan Jhurani discuss strategic use of different evidentiary tools at the disposal of parties in an IPR, including use of supplemental evidence and information, strategic motions to strike and motions to exclude, and effective corroboration of an expert's testimony.

PRESENTED BY:



Karan Jhurani
Principal



Dan Smith
Principal

2022 Year in Review: Agenda

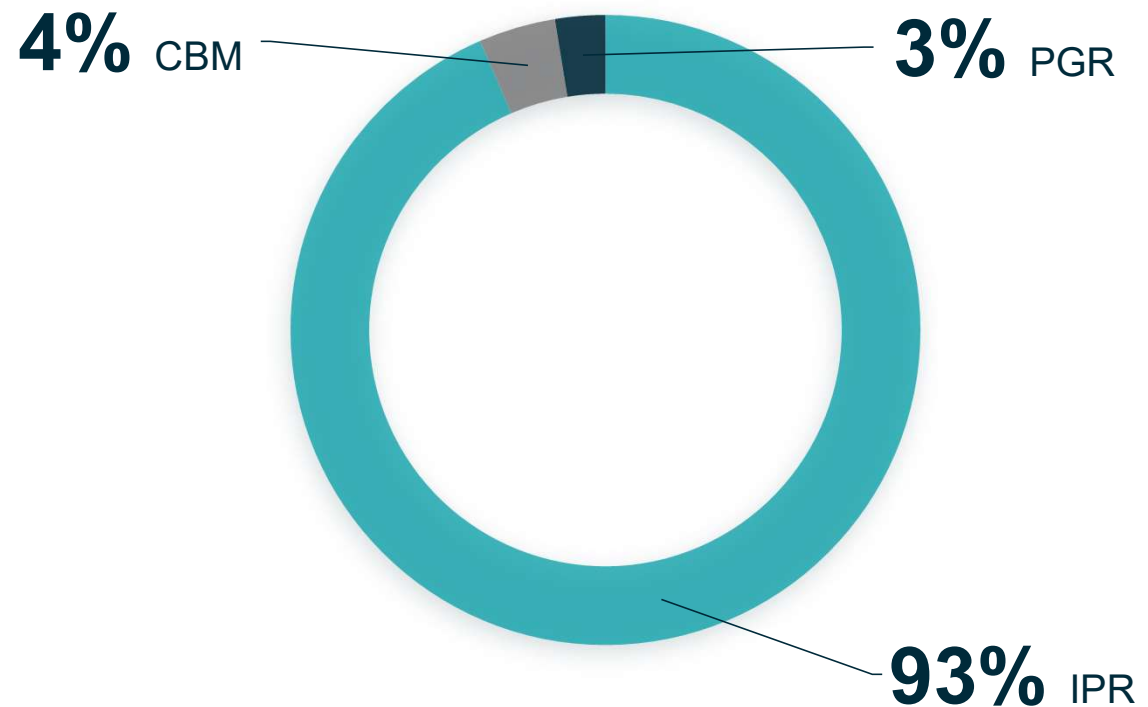
- **Statistics**
- **Director Vidal's Guidance and Related Cases**
- **Other Notable Decisions**
 - Director Review / POP Opinions
 - Pending Requests for Director Review
 - CAFC Appeals
- **What to Watch for in 2023**
 - New and Ongoing PTAB Initiatives
 - Requests for Comments
 - Legislative Developments



Statistics

AIA Petitions

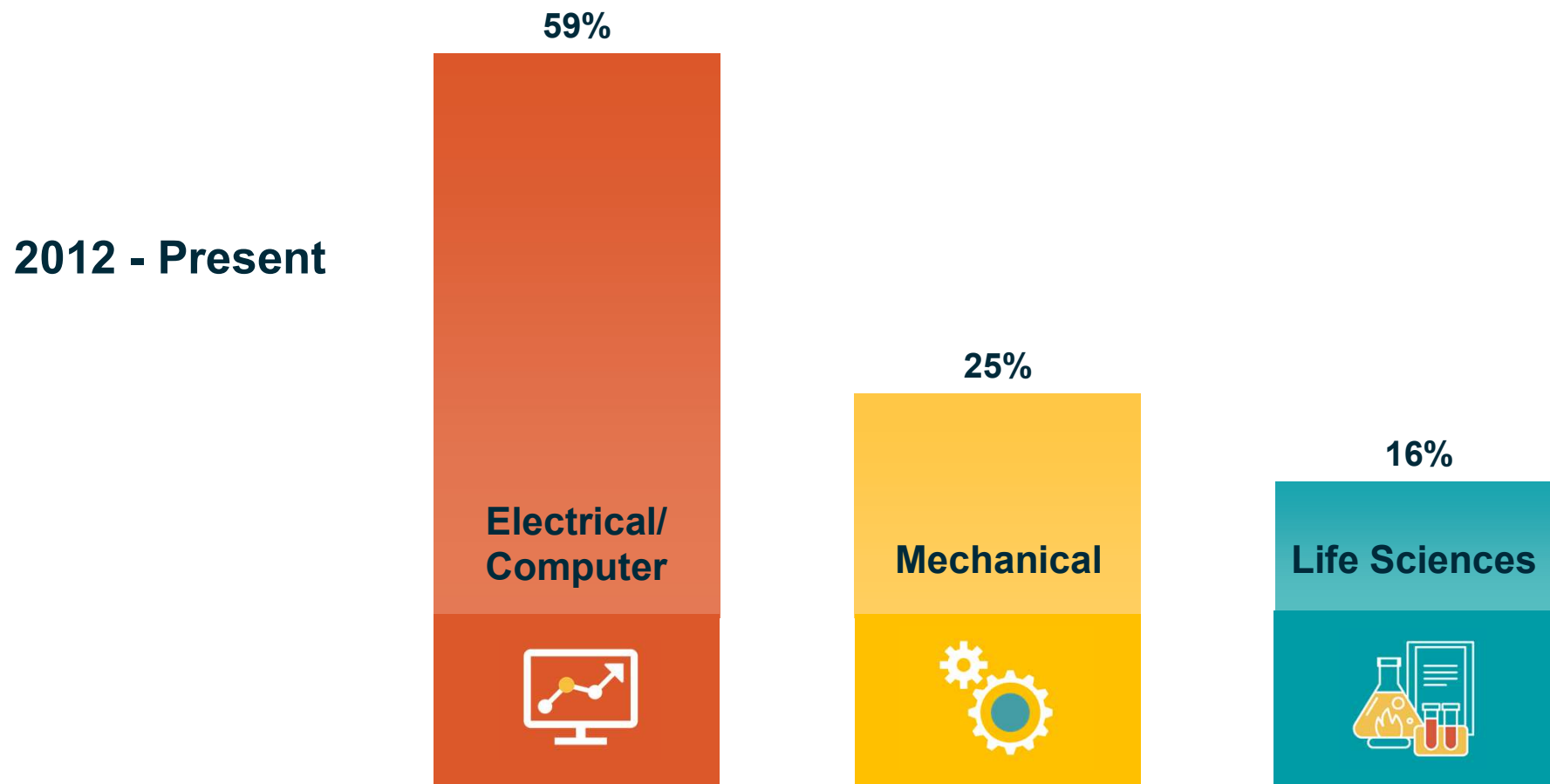
15,257
AIA Petitions
FILED SINCE 2012



PTAB – The Most Active Forum

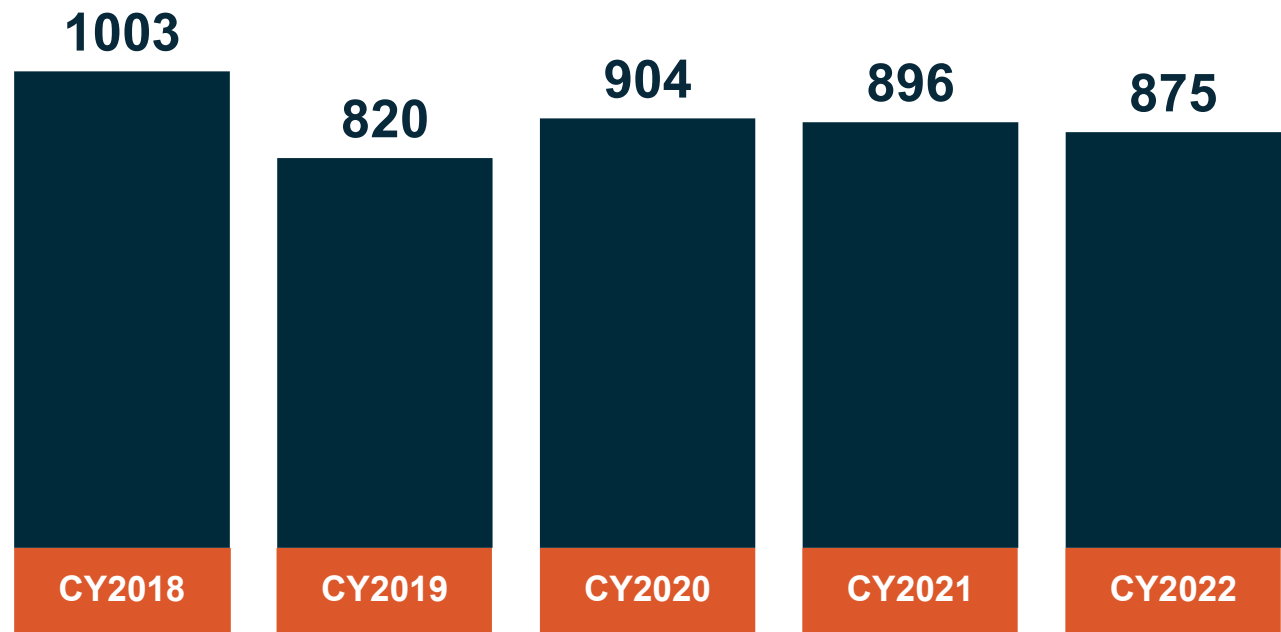
Most active courts by number of cases	CY2018	CY2019	CY2020	CY2021	CY2022
PTAB	1720	1322	1538	1386	1358
WDTX	93	265	859	969	866
DED	875	1001	741	889	668
EDTX	504	332	397	449	472

Technology Breakdown by USPTO Tech Center



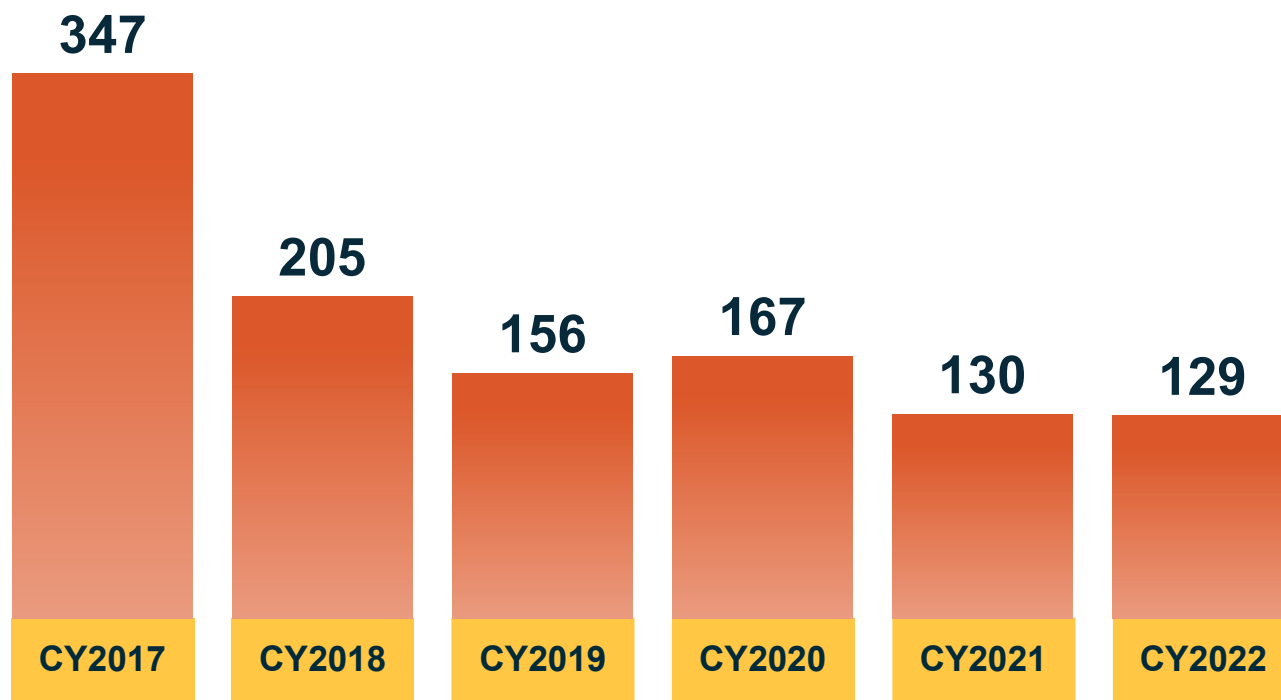
Electrical/Computer IPR Filings

IPRs Filed in
Technology Centers
2100, 2400, 2600,
AND 2800
2018 - 2022

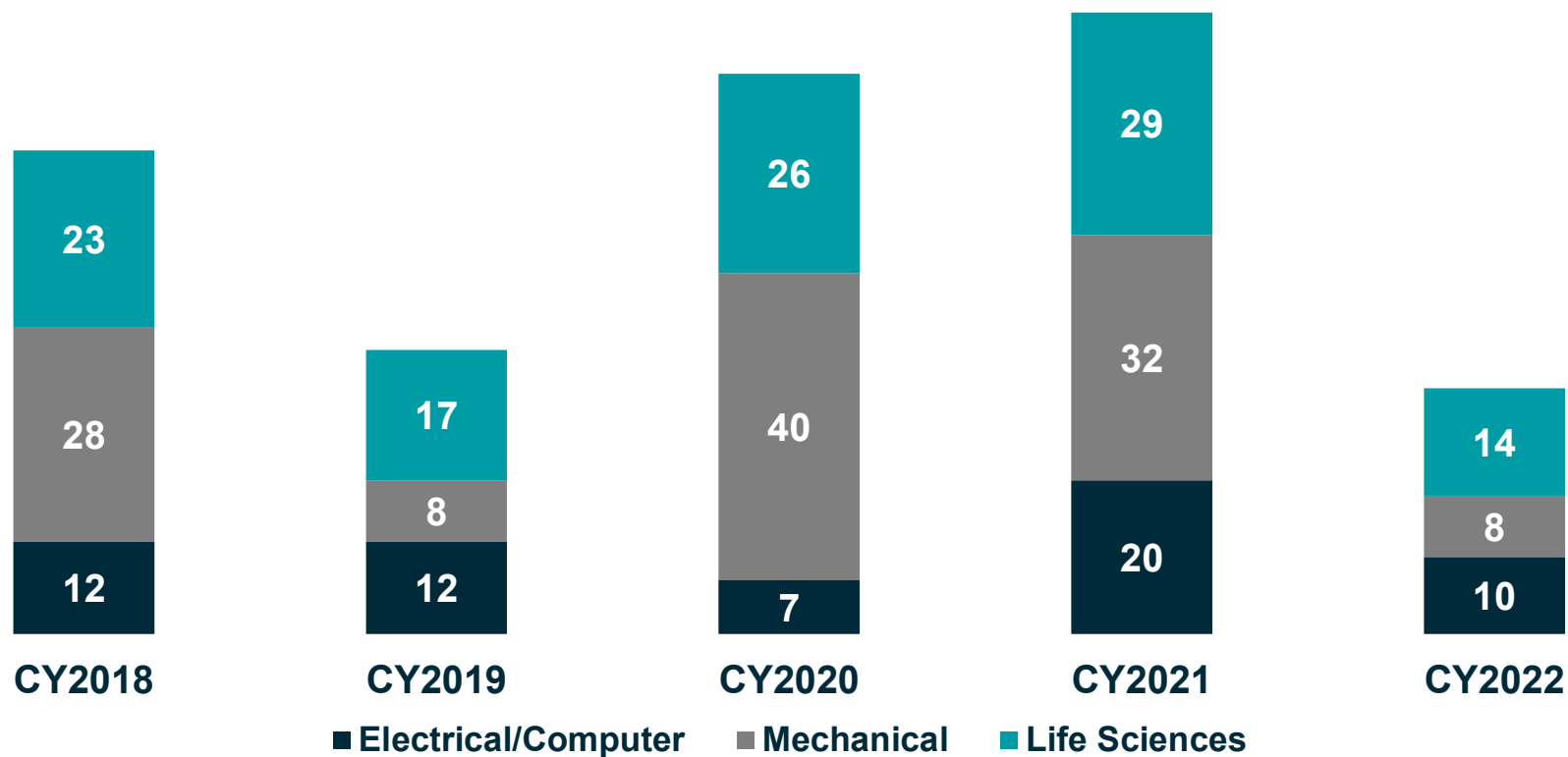


Life Sciences IPR Filings

**IPRs Filed in
Technology Centers
1600 + 1700
2017 - 2022**



PGR Filings

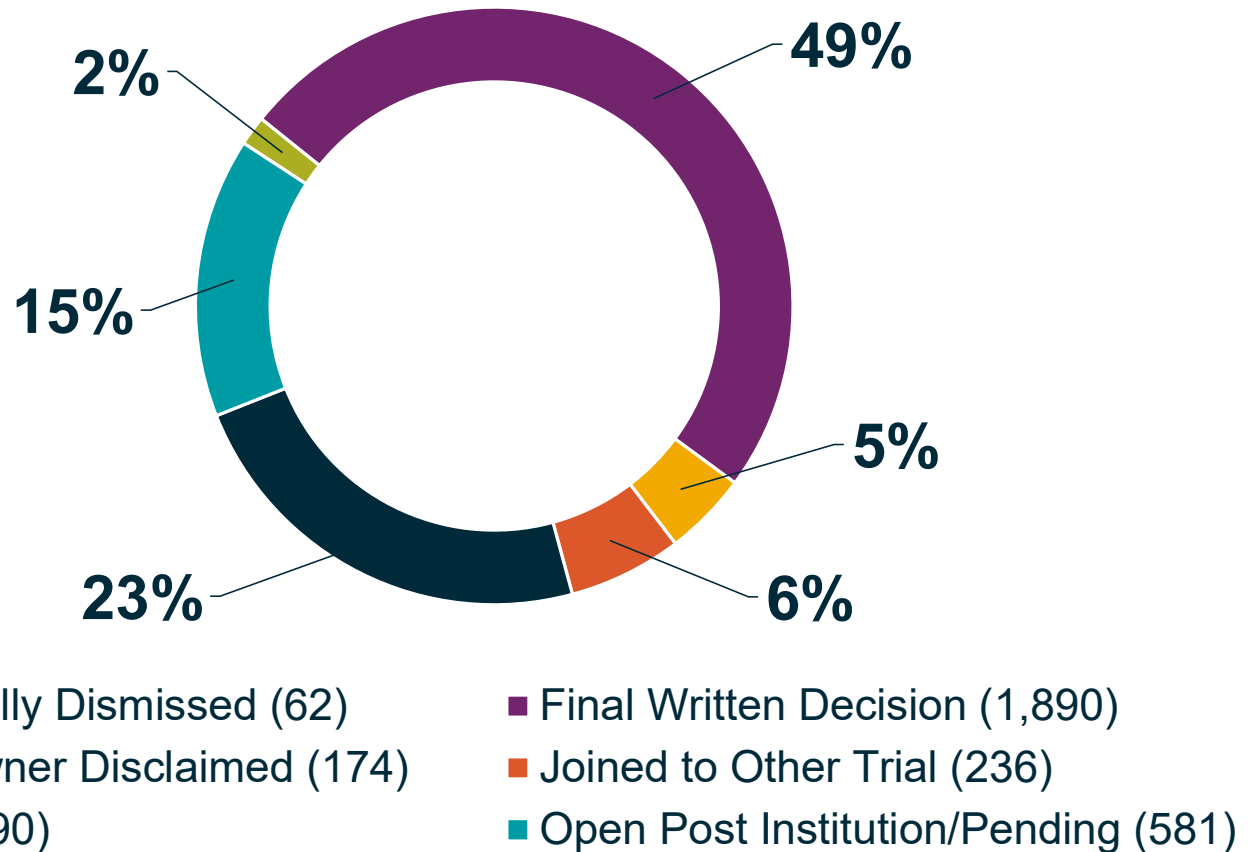


Instituted IPR Petitions 2018 – 2022

3,833 (72%)

**IPR Petitions
Instituted**

between 2018 – 2022



■ Procedurally Dismissed (62)

■ Patent Owner Disclaimed (174)

■ Settled (890)

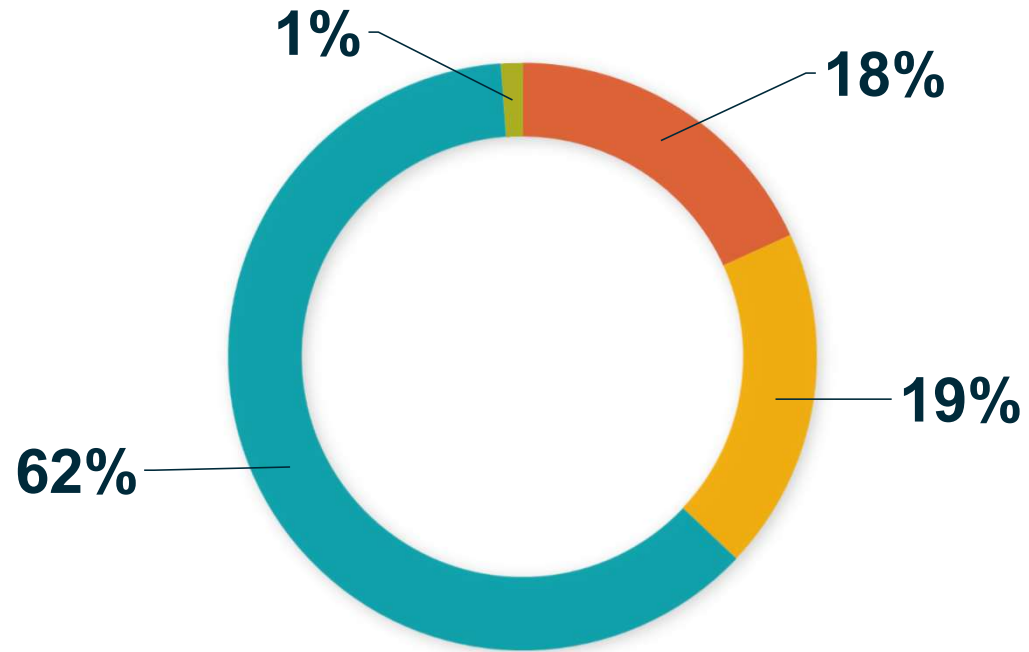
■ Final Written Decision (1,890)

■ Joined to Other Trial (236)

■ Open Post Institution/Pending (581)

Final Written Decisions 2018 – 2022

2,447
IPR Petitions
Reached FWD
between 2018 – 2022



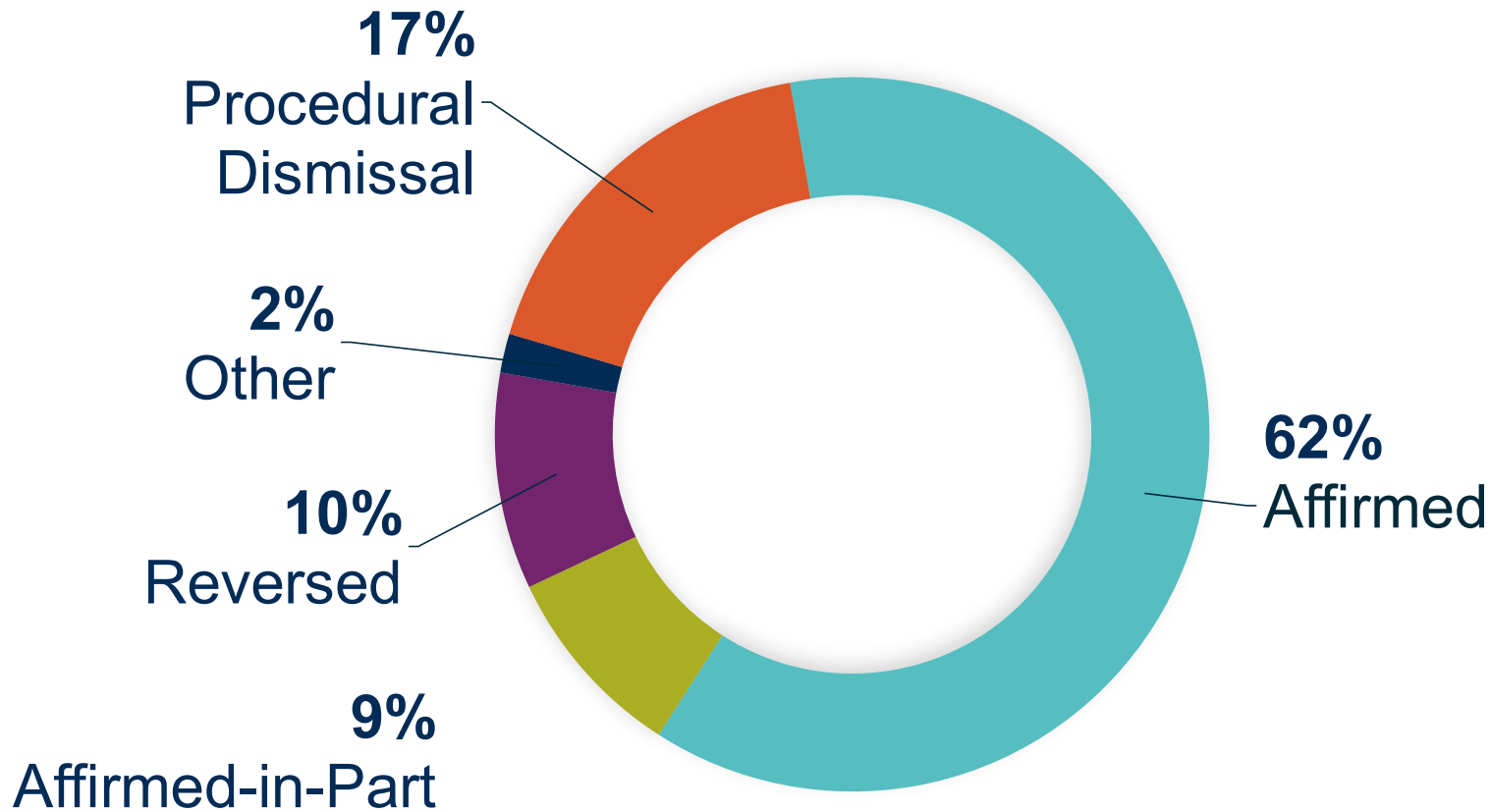
■ All Claims Upheld (446)

■ Mixed Claim Findings (462)

■ All Claims Unpatentable (1,513)

■ All Claims Amended (29)

Dispositions of CAFC Post-Grant Appeals





Director Vidal's Guidance and Related Cases

Director Vidal's Guidance

- **June 9, 2022 – Updated Guidance on Use of Applicant Admitted Prior Art (AAPA) in IPR Proceedings**
 - *MED-EL Elektromedizinische Gerate Ges.m.b.H. v. Adv. Bionics AG*, IPR2020-01016, IPR2021-00044
- **June 22, 2022 – Updated Guidance on Application of Fintiv Discretionary Denials**



Updated Guidance on Application of *Fintiv* Discretionary Denials

***Apple, Inc., v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020)**

- **The Board addressed the considerations applicable to the PTAB's use of discretion to deny institution in view parallel litigation of the challenged patent**
- **Six-factor test:**
 1. whether the court granted a stay, or evidence exists that one may be granted if a proceeding is instituted;
 2. proximity of the court's trial date to the Board's projected statutory deadline for a final written decision;
 3. investment in the parallel proceeding by the court and the parties;
 4. overlap between issues raised in the petition and in the parallel proceeding;
 5. whether the petitioner and the defendant in the parallel proceeding are the same party; and
 6. other circumstances that impact the Board's exercise of discretion, including the merits.
- **The Board stated that “[t]hese factors relate to whether efficiency, fairness, and the merits support the exercise of authority to deny institution in view of an earlier trial date in the parallel proceeding.”**
- **In 10/2020, the USPTO issued a Request for Comments on *Fintiv*.**

Director Vidal's Updated *Fintiv* Guidance (June 22, 2022)

- **Median Time-to-Trial in District**

- Factor 2 requires the Board to consider the proximity of district court trial date to the Board's projected final written decision deadline.
- Guidance now directs the Board to consider median time-to-trial.
 - *Recent decisions suggest Board may be crediting median time-to-trial over other indicia of an earlier trial date. See Apple Inc. v. Arigna Tech. Ltd., IPR2022-00651, Paper 12 (Oct. 6, 2022).*

- **Sotera-style Stipulations**

- Fintiv factor 4 directs the Board to consider overlap between issues raised in the petition and in district court.
- In a *Sotera*-style stipulation, petitioner stipulates not to pursue in district court the same grounds as in the petition or any grounds that could reasonably have been raised in the petition.
- Guidance affirms that the Board will not discretionarily deny institution where petitioner commits to *Sotera*-style stipulation.


Director Vidal's Updated *Fintiv* Guidance (June 22, 2022)

- **Compelling Evidence of Unpatentability**

- *Fintiv* factor 6 requires the Board to consider the merits of petitioner's challenge in view of parallel district court litigation.
- Guidance clarifies that “compelling, meritorious challenges” will proceed regardless of parallel litigation.
 - “Compelling, meritorious challenges” = “those in which the evidence, if unrebutted in trial, would plainly lead to a conclusion that one or more claims are unpatentable by a preponderance of the evidence.”
- Board retains discretion to deny where abuse has been demonstrated.

- **Parallel ITC Proceedings**

- Guidance limits applicability of *Fintiv* to proceedings at the ITC, which lacks the authority to invalidate patents.



Updated Guidance on Use of Applicant Admitted Prior Art (AAPA) in IPR Proceedings

Director Vidal's Updated AAPA Guidance (June 9, 2022)

- Upholds and reinforces some of the August 2020 Guidance (Iancu)
- AAPA alone cannot form the basis of a prior art ground in an IPR.
 - Prior guidance interpreted § 311(b) to require that the “basis” of an IPR ground include prior art patents or prior art printed publications.
 - Updated guidance maintains this view, following decision in *Qualcomm Inc. v. Apple Inc.*, 24 F.4th 1367 (Fed. Cir. 2022).
- But 37 C.F.R. § 42.104(b)(4) does not preclude the use of AAPA to supply a missing claim limitation, despite requirement for the petition to “specify where each element of the claim is found in the prior art patents or printed publications relied upon.”

Director Vidal's Updated AAPA Guidance (June 9, 2022)

- **As such, a prior art patent or printed publication need not form the “foundation or starting point” of an IPR ground.**
 - “Board panels should not exclude the use of admissions based on the number of claim limitations or claim elements the admission supplies or the order in which the petition presents the obviousness combination (e.g., prior art modified by admission or admission modified by prior art).”
- **Rather, AAPA can be used in combination with one or more prior art patents or printed publications in an obviousness ground** to supply a missing claim limitation, to support a motivation to combine, to demonstrate a POSITA's knowledge, or for any other purpose related to patentability.
- Cited IPR2020-1558, 2020-1559 (*Qualcomm Inc. v. Apple Inc.*)

Qualcomm - Federal Circuit Backdrop to Updated AAPA Guidance

- ***Qualcomm Inc. v. Apple Inc.*, 24 F.4th 1367 (Fed. Cir. 2022)**

- *Held:*

- “[T]he ‘patents or printed publications’ that form the ‘basis’ of a ground for *inter partes* review must themselves be prior art to the challenged patent. That conclusion excludes any descriptions of the prior art contained in the challenged patent.”
 - However, “it does not follow that AAPA is categorically excluded from an *inter partes* review.”
 - “Even though evidence such as expert testimony and party admissions are not themselves prior art references, they are permissible evidence in an *inter partes* review for establishing the background knowledge possessed by a person of ordinary skill in the art.”
 - “AAPA may not form the ‘basis’ of a ground in an *inter partes* review, and it is therefore impermissible for a petition to challenge a patent relying on ***solely AAPA*** without also relying on a prior art patent or printed publication.”

MED-EL – Applicant Admitted Prior Art (AAPA)

- **MED-EL Elektromedizinische Geräte v. Advanced Bionics AG (IPR2020-01016, 2021-00044)**
 - Director Vidal issued a *sua sponte* order for director review on June 1, 2022 “to clarify Office guidance on the treatment of statements of the applicant in the challenged patent, in view of the *Qualcomm* decision.”
 - Updated AAPA Guidance released June 9, 2022
 - Background:
 - Petition relied on AAPA in combination with a prior art patent or printed publication to allege obviousness of challenged claims.
 - In a Final Written Decision dated March 31, 2022, the PTAB panel applied the Office's *pre-Qualcomm* AAPA Guidance from August 2020, and concluded that *MED-EL*'s petition failed to set forth a valid obviousness ground under 35 U.S.C. § 311(b).
 - The panel concluded that AAPA impermissibly formed the “foundation or starting point” of the obviousness ground, and therefore was the “basis” of the ground contrary to § 311(b).
 - Director Vidal remanded the case to the Board to reconsider in view of updated AAPA guidance and *Qualcomm*.
 - Final Written Decision on Remand expected by February 22, 2023.



Other Notable Decisions and Appeals in 2022

Cases Selected for Director Review

Parties	Case No.	Status
<i>NXP USA, Inc. v. Impinj, Inc.</i> ***	IPR2021-01556	Affirmed
<i>Zynga, Inc. v. IGT</i> **	IPR2022-00199	Affirmed
<i>Patent Quality Assurance, LLC v. VLSI Tech. LLC</i> **	IPR2021-01229	Pending
<i>OpenSky Industries, LLC v. VLSI Tech. LLC</i> **	IPR2021-01064	Pending
<i>Apple Inc. v. Zipit Wireless, Inc</i> *	IPR2021-01124, 1125, 1126, 1129	Vacated and remanded
<i>MED-EL Elektromedizinische Gerate Ges.m.b.H. v. Adv. Bionics AG</i> *	IPR2020-01016, IPR2021-00044	Vacated and remanded
<i>Code200, UAB v. Bright Data, Ltd.</i> *	IPR2022-00861	Vacated and remanded

* = Director ordered review *sua sponte*

** = Director ordered review *sua sponte* after denying POP request

*** = Director ordered review *sua sponte* of Board's decision denying request for rehearing

Cases Selected for Director Review

Parties	Case No.	Status
<i>Apple, Inc. v. Personalized Media Commc'ns, LLC</i>	IPR2016-00754, 1520	FWD issued on remand
<i>Proppant Express Investments, LLC v. Oren Techs., LLC</i>	IPR2018-00733	FWD issued on remand
<i>Ascend Performance Materials Operations, LLC v. Samsung SDI Co., Ltd.</i>	IPR2020-00349	Settled after remand
<i>Nested Bean, Inc. v. Big Being Pty Ltd.</i>	IPR2020-01234	Pending
<i>Boehringer Ingelheim Animal Health USA Inc. v. Kansas State Univ. Res. Found.*</i>	PGR2022-00021	Pending
<i>AviaGames, Inc. v. Skillz Platform, Inc.*</i>	IPR2022-00530	Pending
<i>Samsung Elecs. Co. Ltd. v. Netlist, Inc.**</i>	IPR2022-00615	Pending

* = Director ordered review *sua sponte*

** = Director ordered review *sua sponte* after denying POP request

*** = Director ordered review *sua sponte* of Board's decision denying request for rehearing

***Apple Inc. v. Zipit Wireless, Inc.*, IPR2021-01124, 1125, 1126, 1129**

- **Apple filed six IPRs against Zipit patents**
- **Zipit elected not to file Patent Owner Responses in four of the IPRs**
- **At oral hearing for the other two IPRs:**
 - Board asked Zipit whether it was “not contesting if a final written decision or adverse judgment was entered with respect to those [other four] IPRs.”
 - Zipit responded “Correct, Your Honor. If the Board determines that they have met their burden of proof with respect to those claims Zipit hasn’t filed any opposition.”
- **Board proceeded as responding to request for adverse judgment (no FWD)**
- **Director Vidal sua sponte vacated adverse judgment**
 - Director Vidal found Zipit’s non-opposition contingent on the Board determining that Petitioner met its burden of proof.
 - Remanded the proceedings back to the panel “to either issue a show cause order clarifying whether Patent Owner is indeed abandoning the contest or to issue a final written decision addressing the patentability of the challenged claims.”

Code 200, UAB, et al. v. Bright Data Ltd., IPR2022-00861

- **Code 200 filed first petition in July 2020 – denied under *Fintiv***
- **Jury trial in November 2021; patents not found invalid**
- **Separate entity, NetNut, filed second petition – instituted March 2022**
- **Code 200 filed copycat petition + joinder motion in April 2022 – denied under *General Plastic***
 - First *General Plastic* factor relied upon to deny (petitioners had previously filed another petition challenging certain claims of the same patent).
 - Board considered the prior failure to submit a prior art stipulation in district court outweighed the fact that the Board had not earlier addressed the merits of the prior petition.
- **Director Vidal disagreed, and *sua sponte* initiated Director Review of the institution decision.**

Code 200, UAB, et al. v. Bright Data Ltd., IPR2022-00861

- **Director Vidal held that where the first petition was discretionarily denied or otherwise was not evaluated on the merits, the first factor must be read in conjunction with the second and third 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.*
- **In such a situation, taken together the first three factors “only weigh in favor of discretionary denial when there are ‘road-mapping’ concerns under factor 3 or other concerns under factor 2.”**

Code 200, UAB, et al. v. Bright Data Ltd., IPR2022-00861

- **Given the Board found no evidence of road-mapping and found factor 2 had limited relevance, Director Vidal determined that “the Patent Owner’s concerns of fairness are outweighed by the benefits to the patent system of improving patent quality by reviewing the merits of the challenges raised in the petitions, which have not been addressed to date.”**
- **Director Vidal vacated the decision denying institution and remanded to the Board.**
- **On remand, the Board instituted, finding the merits compelling despite intervening jury trial**
 - Jury trial concerned different claims and minimally overlapping prior art

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

- **Board exercised its discretion and denied institution under *Fintiv***
 - Ambiguity existed as to whether the challenged patent would be tried in the district court
 - District court judge required Patent Owner to select three of its nine asserted patents for trial
 - Selection had not yet occurred
- **Petitioner subsequently submitted a stipulation that it would not pursue any grounds based on the prior art in the IPR**
- **Petitioner requested rehearing based on the stipulation**
- **Board denied Petitioner's request, and Director Vidal initiated *sua sponte* review**
 - Found Board correctly determined that a stipulation entered after institution was not proper basis to grant rehearing
 - **“Permitting a petitioner to wait and see if the Board denies institution under *Fintiv*, and then offer such a stipulation for the first time on rehearing, frustrates these goals [of mitigating concerns of potentially conflicting decisions and duplicative efforts] and would open the door to gamesmanship.”**
 - Held stipulations must be offered prior to institution

VLSI Technology – Institution Decisions

- ***OpenSky Indus., LLC v. VLSI Tech. LLC* (IPR2021-01056, -1064)**
- ***Patent Quality Assurance, LLC v. VLSI Tech. LLC* (IPR2021-01229)**
 - Background:
 - In March 2021, jury awarded VLSI \$2 billion in a suit against Intel for infringement of the '759 and '373 patents. At trial, Intel challenged validity of the '759 patent on different grounds than raised in the IPR; Intel did not challenge validity of the '373 patent.
 - Intel had previously challenged the asserted patents, and the Board denied under *Fintiv*.
 - OpenSky, formed after the verdict, filed copycat petitions on both patents in June 2021. It used Intel's expert declarations, but did not retain the experts.
 - PQA, formed one week after OpenSky filed its petition, filed its own petition challenging the '373 patent in July 2021. PQA entered an "exclusive" retention agreement with one of Intel's experts, and successfully argued that OpenSky's '373 petition (IPR2021-01056) should not be instituted because of this agreement.
 - The Board instituted PQA's '373 petition and OpenSky's '759 petition, finding that the different parties and arguments did not warrant discretionary denial.
 - Intel subsequently re-filed its petitions and moved for joinder with the instituted proceedings.

VLSI Technology – Institution Decisions

- ***OpenSky Indus., LLC v. VLSI Tech. LLC* (IPR2021-01064)**
- ***Patent Quality Assurance, LLC v. VLSI Tech. LLC* (IPR2021-01229)**
 - Background:
 - VLSI appealed to the Precedential Opinion Panel, claiming the petitions were filed for purposes of harassment.
 - On June 7, Director Vidal denied the POP appeal, taking up the case *sua sponte* under the new director review process instead.
 - Finding review “appropriate because this case raises novel issues of law and policy, as well as issues of particular importance to the Office and the patent community.”
 - On June 8, the Board joined Intel as a Petitioner.
 - Director Vidal limited her review to the issue of harassment (i.e. no error discerned in the Board’s findings on the merits, *Fintiv*, or *General Plastics* necessitating review).

VLSI Technology – Institution Decisions

- **Issues for Director Review:**

1. What actions the Director, and by delegation the Board, should take when faced with evidence of abuse of process or conduct that otherwise thwarts, as opposed to advances, the goals of the Office and/or the AIA; and
2. How the Director, and by delegation the Board, should assess conduct to determine if it constitutes an abuse of process or if it thwarts, as opposed to advances, the goals of the Office and/or the AIA, and what conduct should be considered as such.

- **Director Vidal further requested the parties to brief the issues and address the following interrogatories with citations to documentary evidence:**

- When was OpenSky / PQA formed? For what purpose? What entities have an interest?
- What is the relationship between OpenSky / PQA and each of the other parties? Any other communications not in the record?
- Could OpenSky / PQA be subject to infringement claims for these two patents? Policy reason for filing?
- Did OpenSky / PQA ever condition any action relating to this proceeding on payment or consideration from Patent Owner or anyone else?

VLSI Technology – Institution Decisions

- **Director Vidal also mandated certain categories of discovery from OpenSky / PQA, as well as Intel:**
 - Formation documents
 - Documents relating to OpenSky's business plan including its funding, potential revenue, and future allocation of any of its profits
 - Documents / communications relating to filing or settlement, or with experts
 - Documents relating to any real party in interest (RPII) and decisions made to list or not list any person or entity as an RPII
 - Communications with any named party relating to the filing, settlement, or potential termination of this proceeding
- **Director Vidal ordered briefing, and authorized *amici* briefs as well.**

VLSI Technology – Current Status

- ***OpenSky Indus., LLC v. VLSI Tech. LLC (IPR2021-1064)***
 - OpenSky failed to comply with the Director's discovery Order
 - Director Vidal found that OpenSky abused the IPR process at multiple points
 - Sanctioned OpenSky by first precluding it from active participation in the underlying proceeding, then later dismissing it outright, leaving Intel as the sole Petitioner
 - Ordered OpenSky to show cause as to why it should not pay compensatory damages to VLSI
 - Affirmed the PTAB decision on remand, concluding a compelling, meritorious challenge existed, and lifted the stay
 - When VLSI requested rehearing, ordered VLSI to show cause as to why it should not be ordered to pay reasonable attorney fees to Intel for supporting their arguments with misleading statements of law and fact.

VLSI Technology – Current Status

- ***Patent Quality Assurance, LLC v. VLSI Tech. LLC (IPR2021-01229)***
 - PQA failed to comply with the Director's discovery Order
 - Director Vidal found similar abuse and sanctioned PQA by dismissing it from the underlying proceeding, again leaving Intel as the sole Petitioner
 - Ordered PQA to show cause as to why it should not pay compensatory damages to VLSI
 - Determined that the underlying Petition presented a compelling, meritorious challenge
 - Lifted the stay of the underlying proceeding

VLSI Technology – Current Status

- ***Patent Quality Assurance, LLC v. VLSI Tech. LLC (IPR2021-01229)***
 - PQA requested rehearing and asked for opportunity to brief sanctions issue
 - **Director granted the motion and stayed the proceeding again**
 - **PQA notified Director that it had filed a petition for mandamus at the Federal Circuit**
 - **PQA then declined to participate further in the rehearing, arguing that “as an unlawfully dismissed party,” it is “no longer subject to the Office’s jurisdiction.”**
 - Director vacated dismissal of PQA and restored it as Petitioner, noting that now “PQA cannot avoid possible sanctions through continued non-participation”
 - Director lifted the stay, reasoning that PQA’s mandamus petition made clear PQA did not want opportunity to complete rehearing briefing before FWD

Forthcoming Director Review Opinions

- ***AviaGames, Inc. v. Skillz Platform, Inc.*, IPR2022-00530**
 - Board denied institution under *Fintiv* following district court judgment of invalidity under Section 101
 - Director review granted *sua sponte* on August 26, 2022
- ***Samsung Elecs. Co. Ltd. v. Netlist, Inc.*, IPR2022-00615**
 - Board granted institution of Samsung's petition
 - Director review granted *sua sponte* on January 5, 2023
 - In POP Request and Request for Rehearing, Petitioner Netlist asked the Board to:
 - **Confirm that *inter partes* reexaminations should be considered as part of the General Plastics analysis**
 - **Hold that it is improper for the Board to draw inferences in favor of a Petitioner based on real-party-in-interest evidence not in record**

Noteworthy Federal Circuit Decisions

- **Standing**
 - *Apple Inc. v. Qualcomm Inc.*, 17 F.4th 1131 (Fed. Cir. Nov. 10, 2021)
 - *Intel Corp. v. Qualcomm Inc.*, 21 F.4th 784 (Fed. Cir. Dec. 28, 2021)
- **Estoppel**
 - *Cal. Inst. of Tech. v. Broadcom Ltd.*, 25 F.4th 976 (Fed. Cir. Feb. 4, 2022)
 - *Intuitive Surgical v. Ethicon*, 25 F.4th 1035 (Fed. Cir. Feb. 11, 2022)
- **Motivation to Combine**
 - *Chemours Co. v. Daikin Industries*, 4 F.4th 1370 (Fed. Cir. July 22, 2021)
 - *Fleming v. Cirrus Design Corp.*, 28 F.4th 1214 (Fed. Cir. Mar. 10, 2022)
- **Reasonable Expectation of Success**
 - *Eli Lilly & Co. v. Teva Pharms. Int'l GmbH*, 8 F.4th 1331 (Fed. Cir. Aug. 16, 2021)
- **Objective Indicia**
 - *Auris Health, Inc. v. Intuitive Surgical Operations, Inc.*, 32 F.4th 1154 (Fed. Cir. Apr. 29, 2022)
- **Contracting Out of IPR**
 - *Kannuu PTY Ltd. v. Samsung*, 15 F.4th 1101 (Fed. Cir. Oct. 7, 2021)
 - *Maxpower Semiconductor, Inc. v. Rohm Semiconductor, Inc.*, 13 F.4th 1348 (Fed. Cir. Sept. 8, 2021)
 - *Nippon Shinyaku Co. v. Sarepta Therapeutics, Inc.*, 25 F.4th 998 (Fed. Cir. Feb. 8, 2022)

For more on appeals,
check out **FISH's** webinar
[Post-Grant for Practitioners:
Post-Grant Appeals](#)

Estoppel: "Could Have Been Asserted"

CalTech v. Broadcom, 25 F.4th 976 (Fed. Cir. Feb. 4, 2022)

- Court overruled *Shaw* in view of the more-recent SAS
- “[E]stoppel [into litigation] applies not just to claims and grounds asserted in the petition and instituted for consideration by the Board, but to all grounds not stated in the petition but which reasonably could have been asserted against the claims included in the petition.”
- Federal Circuit amended its opinion to clarify that the scope of estoppel still applies on a claim-by-claim basis
- Opinion does not address discretionary denials

United States Court of Appeals
for the Federal Circuit

CALIFORNIA INSTITUTE OF TECHNOLOGY,
Plaintiff-Appellee

v.

BROADCOM LIMITED, NKA BROADCOM INC.,
BROADCOM CORPORATION, AVAGO
TECHNOLOGIES LIMITED, NKA AVAGO
TECHNOLOGIES INTERNATIONAL SALES PTE.
LIMITED, APPLE INC.,
Defendants-Appellants

2020-2222, 2021-1527

Appeals from the United States District Court for the
Central District of California in No. 2:16-cv-03714-GW-
AGR, Judge George H. Wu.

Decided: February 4, 2022

IPR-to-IPR Estoppel Bites Hard

Intuitive Surgical v. Ethicon, 25 F.4th 1035 (Fed. Cir. Feb. 11, 2022)

- Court affirmed a Board finding that a petitioner was estopped in a second-decided IPR by the existence of a first-decided IPR on the same patent
- This was true even though the IPRs were filed on the same day and the Board acted to make them serial in their conclusions.

United States Court of Appeals
for the Federal Circuit

INTUITIVE SURGICAL, INC.,
Appellant

v.

ETHICON LLC,
Appellee

ANDREW HIRSHFELD, PERFORMING THE
FUNCTIONS AND DUTIES OF THE UNDER
SECRETARY OF COMMERCE FOR
INTELLECTUAL PROPERTY AND DIRECTOR OF
THE UNITED STATES PATENT AND TRADEMARK
OFFICE,
Intervenor

2020-1481

Appeal from the United States Patent and Trademark
Office, Patent Trial and Appeal Board in No. IPR2018-
01248.

Decided: February 11, 2022

Ex Parte Reexamination Estoppel Is Reviewable

Alarm.com v. Hirshfeld, 26 F.4th 1348 (Fed. Cir. Feb. 24, 2022)

- Alarm unsuccessfully challenged a number of patents through IPR, then requested *ex parte* reexamination of the same patents
- Director vacated the requests without determining whether a substantial new question of patentability existed
- Alarm challenged the Director's decision in district court under the Administrative Procedure Act (APA)
- District court found Alarm was precluded from seeking review
- Federal Circuit held that a party can properly seek district court review under the APA of a decision by the USPTO director to vacate an *ex parte* reexamination proceeding based on IPR estoppel under § 315(e)(1))

United States Court of Appeals
for the Federal Circuit

ALARM.COM INCORPORATED,
Plaintiff-Appellant

v.

ANDREW HIRSHFELD, PERFORMING THE
FUNCTIONS AND DUTIES OF THE UNDER
SECRETARY OF COMMERCE FOR
INTELLECTUAL PROPERTY AND DIRECTOR OF
THE UNITED STATES PATENT AND TRADEMARK
OFFICE, UNITED STATES PATENT AND
TRADEMARK OFFICE,
Defendants-Appellees

2021-2102

Appeal from the United States District Court for the
Eastern District of Virginia in No. 1:21-cv-00170-CMH-
TCB, Senior Judge Claude M. Hilton.

Decided: February 24, 2022



What to Watch for in 2023

PTO Requests for Comments Issued in 2022

2022-07-20 RFC	Director Review, POP, and Internal Decision Review	Comments closed October 19
2022-07-25 RFC	Subject Matter Eligibility Guidance	Comments closed October 15
2022-10-04 RFC	Initiatives To Ensure the Robustness and Reliability of Patent Rights	Comments set to close January 3; Extended to February 1
2022-10-18 RFC	Expanding Opportunities to Appear before the PTAB	Comments set to close January 17; Extended to January 31
2022-10-18 RFC	Expanding Criteria for Registration to Practice in USPTO Cases	Comments set to close January 17; Extended to January 31

New and Ongoing PTAB Initiatives

- **PTAB Pro Bono Program**

- Offers free legal assistance for inventors and patent owners who meet certain financial thresholds and other eligibility criteria
- Program began accepting applications June 1, 2022
- Administered by the PTAB Bar Association
- Currently limited to IPR and PGR proceedings
- Seeking volunteer attorneys

- **Legal Experience and Advancement Program (LEAP)**

- 2nd Year Anniversary (>100 participants to date)
- To qualify, practitioner must have three or fewer substantive oral arguments in any federal tribunal
- PTAB may grant up to 15 minutes of additional argument time and permit assistance from co-counsel
- LEAP practitioner may present entire argument or specific issues

Related Pending Legislation

- **PTAB Reform Act of 2022**
 - Introduced: June 16, 2022
 - Sponsors:
 - **Senators Patrick Leahy (D-VT)**
 - **John Cornyn (R-TX)**
 - **Thom Tillis (R-NC)**
 - Follows Previously Introduced Legislation:
 - **Restoring the America Invents Act**
 - Introduced by Senators Patrick Leahy (D-VT) and John Cornyn (R-TX) on Sept. 29, 2021
 - **Restoring America's Leadership in Innovation Act**
 - Introduced by Rep. Thomas Massie (R-KY) on November 4, 2021

Related Pending Legislation

- **PTAB Reform Act of 2022**

- Director Review

- Authority. Codifies *Arthrex* by giving the Director the authority to review, modify, or set aside decisions of the PTAB. Requires Director to issue separate opinion in writing setting forth the reasons for the decisions.
 - Timing/Bases. Directs PTO Director to create rules laying out the timeline for review and bases for review within 18 months of bill's passage.

- Appeal

- Standing. Extends standing for the right to appeal to “at least to any dissatisfied party that reasonably expects that another person will assert estoppel against the party...as a result of the decision.”
 - Cancellation of Claims - Timing. Clarifies that the Board or Director shall cancel claims determined to be unpatentable within 60 days of a mandate issuing and shall decide any issue on remand within 120 days of the mandate.

Related Pending Legislation

- **PTAB Reform Act of 2022**

- Limiting Discretionary Denial

- Limit on Repeated Petitions (codifying General Plastic): “The Director shall not authorize a post-grant review to be instituted if the Director has previously instituted an [IPR] or [PGR] that includes one or more of the same claims based on a petition that was filed on a different day by the same petitioner, or a real party in interest or privy of the same petitioner.”
 - Institution Not to Be Based on Parallel Proceedings (abrogating Fintiv): “The Director shall not in any respect consider an ongoing civil action or a proceeding before the [ITC]...” other than the time bar already in the statute.
 - 325d Retained. Maintains carve-out for discretion to deny institution if “the same or substantially the same prior art or arguments previously were presented to the Office.”

Related Pending Legislation

- **PTAB Reform Act of 2022**

- Curbing Bad Faith Conduct and Promoting Transparency
 - Requires the Director to prescribe sanctions against petitioners who offer to deliberately delay or lose an instituted challenge for consideration.
 - Prevents ex parte communications between any APJ and “[a]n officer who has supervisory authority or disciplinary authority” over that APJ who is not a member of the panel “concerning any pending matter.”
- Claim Construction (codifies applied Guidance)
 - Requires the Board to construe claim terms using the same construction standard used in civil actions.
 - If a term has previously been construed in a civil action, the Board shall make that construction of record in the proceeding and shall consider it but not be bound to it.

Related Pending Legislation

- **PTAB Reform Act of 2022 – USPTO Centric**
 - Multiple Proceedings
 - **Imposes Notification Requirements.**
 - Requires notification of the Director if “another proceeding or matter involving the patent is before the Office”
 - **Requires Written Decision by Director.**
 - The Director “shall issue a decision” regarding how the other proceeding may advance, “including providing for stay, transfer, consolidation, or termination”
 - **Party May Petition for Review of the Decision**
 - Support for Small and Micro Entities in IPR and PGR
 - **Directs the PTO to cover the reasonable litigation expenses of small businesses who have undertaken the expense of applying for patents.**
 - **Avoids the small entity having to pay again to defend the same patent before the Board.**

Thank You!

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