

## **IP Litigator, PTO Practice: A Review of Post-Grant Reports and Procedures, (May 1, 2026)**

IP Litigator

***W. Karl Renner and Thomas Rozylowicz***

***Kristi Sawert***

***Kristi Sawert, Usman Khan, and Jonathan Driesslein***

***Jennifer Huang and Kristi Sawert***

***Lauren Degnan and Chris Dryer***

***Karan Jhurani***

***Kristi Sawert and Casey Kraning***

*W. Karl Renner is a Principal at Fish & Richardson and leads the Post-Grant Practice. His work focuses on client counseling, strategic patent prosecution, and complex inter partes and ex parte post-grant and reissue proceedings before the Patent Trial and Appeal Board. His technical experience spans a range of technologies, including electrical, computer-related, physics, and mechanical disciplines.*

*Thomas Rozylowicz is a principal at Fish & Richardson who advises clients on patent procurement, post-grant America Invents Act proceedings, and IP licensing in the software, electronics, and medical device fields. He brings extensive experience managing largescale patent portfolios and representing both patent owners and petitioners before the Patent Trial and Appeal Board.*

*Kristi L. R. Sawert, Ph.D., is a principal at Fish & Richardson with extensive experience in postgrant trials and appeals. A former administrative patent judge and U.S. Patent and Trademark Office associate solicitor, she brings deep insight into Patent Trial and Appeal Board proceedings and Federal Circuit appeals, advising clients across biotechnology, pharmaceutical, and medical device technologies.*

*Kristi L. R. Sawert, Ph.D., is a principal at Fish & Richardson with extensive experience in postgrant trials and appeals. A former administrative patent judge and U.S. Patent and Trademark Office associate solicitor, she brings deep insight into Patent Trial and Appeal Board proceedings and Federal Circuit appeals, advising clients across biotechnology, pharmaceutical, and medical device technologies.*

*Usman Khan, Ph.D., is a principal at Fish & Richardson who works with clients to build, strengthen, and defend patent portfolios through post-grant proceedings and patent prosecution. He brings extensive experience across diverse technologies, including semiconductors, software, and signal processing.*

*Jonathan Driesslein is a technology specialist and patent agent at Fish & Richardson, supporting patent prosecution across a wide range of technologies, including control systems, power electronics, nuclear technologies, and related fields.*

*Jennifer Huang, a principal at Fish & Richardson, advises clients on patent prosecution and postgrant proceedings. Her work spans a wide range of technologies, including telecommunications systems, power systems, software, and*

*mobile device technologies.*

*Kristi L. R. Sawert, Ph.D., is a principal at Fish & Richardson with extensive experience in postgrant trials and appeals. A former administrative patent judge and U.S. Patent and Trademark Office associate solicitor, she brings deep insight into Patent Trial and Appeal Board proceedings and Federal Circuit appeals, advising clients across biotechnology, pharmaceutical, and medical device technologies.*

*Lauren Degnan is a principal at Fish & Richardson and a seasoned trial and appellate lawyer who co-leads the firm's appellate practice. She represents technology and medical device clients in high-stakes IP disputes, serving as lead counsel in trials and appeals.*

*Chris Dryer, a principal at Fish & Richardson, focuses on patent litigation and appellate advocacy. He has experience litigating intellectual property cases before the U.S. International Trade Commission, U.S. District Courts, and U.S. Court of Appeals for the Federal Circuit involving a range of technologies, including network protocols, flash memory, and lithium-ion batteries.*

*Karan Jhurani is a principal at Fish & Richardson whose practice focuses on patent prosecution and IP counseling, postgrant proceedings before the Patent Trial and Appeal Board, and complex patent and trade secret litigation. He advises clients across industries, including e-commerce, FinTech, and edge AI solutions and chipsets.*

*Kristi L. R. Sawert, Ph.D., is a principal at Fish & Richardson with extensive experience in postgrant trials and appeals. A former administrative patent judge and U.S. Patent and Trademark Office associate solicitor, she brings deep insight into Patent Trial and Appeal Board proceedings and Federal Circuit appeals, advising clients across biotechnology, pharmaceutical, and medical device technologies.*

## **USPTO and IP Community Welcome Director Squires**

2025 saw a major milestone for the U.S. Patent and Trademark Office (USPTO) — a new Director. John A. Squires, nominated by President Trump on March 10 and confirmed by the Senate on September 18, 2025, is the 60th Director of the USPTO. He assumed the role from Acting Director Coke Morgan Stewart, who served as Acting Director from January 20 to September 22, 2025. Generally, he is a proponent of free-market-oriented approaches to IP policy, broader patent eligibility under [35 U.S.C. § 101](#), and the use of cutting-edge technologies to streamline patent examination.

### **Squires' Background**

Squires' most recent position before taking over at the USPTO was as chair of the Emerging Companies and IP practice at Dilworth Paxson LLP, a position he held from 2017 to 2025, where his practice focused on artificial intelligence (AI), blockchain and cryptocurrency, FinTech, and RegTech.

Squires began his career at Morgan & Finnegan in 1992, where he practiced both patent prosecution and litigation, before moving to Clifford Chance LLP, representing clients in the chemical, biotech, pharma, technology, and manufacturing sectors. He then moved in-house at Honeywell, where he managed a worldwide portfolio of over 1,000 patents related to advanced materials, heads-up displays, and optical waveguide materials. Perhaps his most notable role was as chief IP counsel at Goldman Sachs from 2000 to 2009, a position in which he founded the bank's IP practice. He then served as co-chair of the IP group at Chadbourne & Parke LLP and as an IP partner at Perkins Coie LLP.

He has focused much of his career on FinTech and risk management. Shortly after the September 11, 2001, terrorist

attacks, while at Goldman Sachs, Squires and representatives from other banks structured, formed, and launched Regulatory DataCorp., Inc., a FinTech platform aimed at combatting terrorism, money laundering, and organized crime. Since 2013, he has served as counsel to the board of directors of Risk Assistance Network + Exchange, a proprietary platform that helps organizations identify and mitigate operational risks. In 2016, he co-founded FinClusive, a hybrid FinTech/RegTech platform that provides compliance-focused financial services for traditionally underserved organizations, and he continues to sit on its board of directors. Squires also teaches legal writing at the University of Pennsylvania Carey Law School.[\[1\]](#)

## Senate Judiciary Committee Hearing

Squires testified before the Senate Judiciary Committee on May 21, 2025. He characterized himself as a defender of national security, enforcer of good faith and fair dealing, and proponent of free market solutions, emphasizing his work using patents to support the global war on terrorist financing post-9/11.

The three biggest issues he identified as facing the USPTO were pendency, patent quality, and uncertainty. While he acknowledged that AI could “easily overwhelm the system,” he believes that, if harnessed correctly, AI tools could help the USPTO examiner corps issue patents of provable quality at faster rates.

Asked by Senator Thom Tillis (R-NC) for his opinions on the Patent Eligibility Restoration Act (PERA) and the Promoting and Respecting Economically Vital American Innovation Leadership (PREVAIL) Act, Squires confirmed that he supports the aims of both bills, particularly PERA. He stated that the Chinese patent system has more expansive subject matter eligibility than the U.S. and that he believes our current patent eligibility framework is costing the U.S. in competitiveness. Asked by Senator Tillis what he thinks will happen if these bills do not move forward and IP flows elsewhere, Squires responded that the U.S. has tools in its system to avoid those issues and that both of these bills address them.

Asked by Senator Chris Coons (D-DE) whether the PTAB needs reform and whether the PREVAIL Act would help, Squires answered both in the affirmative. Senator Coons also inquired about the RESTORE Patent Rights Act and whether Squires believes that injunctive relief is important for inventors and small businesses. Squires explained that injunctions are important because patents are property rights, and property rights enforcement typically involves evicting trespassers. On the Supreme Court’s § 101 jurisprudence, Squires stated that it has created significant uncertainty throughout the system, explaining that, even if a patent application makes it through the USPTO, § 101 issues are still frequent vehicles for litigation outside the merits of infringement.

On September 18, 2025, the U.S. Senate voted to confirm Squires as Under Secretary of Commerce for Intellectual Property and Director of the USPTO by a vote of 51-47.

## Tenure as Director

Squires’ moves since being sworn in on September 22 generally have been consistent with his statements during his confirmation hearing.

At the PTAB, he has instituted several reforms, including:

- Director control of institutional decisions
- Restoration of strict real party in interest disclosures
- A proposed rule that would limit *inter partes* review (IPR) proceedings to patent claims that have not previously

been challenged in litigation or where prior litigation was resolved at an early stage.

His efforts to limit America Invents Act (AIA) proceedings generally have been successful, with the USPTO reporting that the PTAB's institution rate fell from 68% in FY 2024 to 42% in FY 2026 (YTD).

On the patent eligibility front, Squires generally has signaled a softening of the USPTO's § 101 policy. In September 2025, he convened an Appeals Review Panel (ARP) to issue a decision on eligible inventions related to artificial intelligence (AI) technologies. The decision, *Ex parte Desjardins*, vacated a PTAB panel's decision to issue a new ground of rejection under § 101 that had not been raised by the patent examiner. The ARP instead found the claims to be directed to an eligible invention. It directed patent examiners and the PTAB to engage in more thorough analysis of whether a patent claim integrates an abstract idea into a practical application at *Alice* Step 2A, Prong 2, specifically by considering *Enfish*. *Desjardins* has now been designated precedential and incorporated into the Manual of Patent Examining Procedure.

## What's New: Policy Memos and Proposed Rules

The USPTO issued several significant procedural and substantive changes through both policy memoranda and a notice of proposed rulemaking. Here, we review those developments and outline how they may influence both the patent owner and the petitioner's strategy going forward.

### Policy Memoranda

#### Interim Processes for PTAB Workload Management (March 26, 2025)

The USPTO began the year with a major announcement reallocating institution decision-making responsibility to the Director. Effective March 26, 2025, the Director assumed exclusive authority over discretionary denial decisions under [35 U.S.C. §§ 314\(a\)](#) and 324(a). Identified as a "bifurcated" process, the Director introduced a procedure by which the Director would henceforth initially determine whether to exercise discretion to deny institution based on discretionary denial considerations, and then, only if the Director declined to exercise that discretion, the petition would be forwarded to a three-judge PTAB panel to decide whether to institute based on the merits.

The bifurcated process called for an additional and separate briefing focused solely on discretionary denial. Specifically, under the process, patent owners are afforded the opportunity to file an optional request for discretionary denial within two months of the accorded filing date, and, if filed, petitioners are afforded the opportunity to oppose within one month. The announcement set forth several new discretionary considerations, including:

- Whether the PTAB or another forum has already adjudicated the validity or patentability of the challenged patent claims
- Whether there have been changes in the law or new judicial precedent issued since the issuance of the claims that may affect patentability
- The strength of the unpatentability challenge
- The extent of the petition's reliance on expert testimony
- Settled expectations of the parties, such as the length of time the claims have been in force
- Compelling economic, public health, or national security interests

- Any other considerations bearing on the Director's discretion

The announcement explained an intent to reduce the Board's *ex parte* appeal backlog by reallocating PTAB resources more efficiently. Although pitched as a temporary measure, the Director maintains control over discretionary denial today — resulting in a significant decrease in the institution rate.

### **Final Written Decision Requirements (July 29, 2025)**

In July, then-Chief Judge Scott Boalick issued a memorandum requiring PTAB panels to address all grounds raised in a petition when issuing final written decisions. This change marked a departure from prior practice, where panels often declined to reach additional grounds once a claim had already been found unpatentable. The Office emphasized that the new policy is intended to promote compact, complete decision-making, but it also discourages petitioners from asserting excessive or poorly focused grounds.

### **Strict Enforcement of § 42.104(B)(4) and Limits on “General Knowledge” (July 31, 2025)**

Later in July, the USPTO announced that — effective September 1, 2025 — it would strictly enforce Rule 104(b)'s requirement that IPR petitions identify where each claim element is found in the cited prior art patents or printed publications. Under this approach, petitioners may no longer rely on applicant-admitted prior art, expert testimony, common sense, or generalized technical knowledge to supply a missing limitation. Petitions that do not affirmatively map every claim element to an express disclosure in a patent or printed publication will be denied at the outset.

This change places a heightened emphasis on the precision and completeness of petition drafting. Prospective petitioners should ensure that each challenged claim element is traced directly to the relied-upon references and confirm that the petition does not implicitly use “general knowledge” to fill in gaps that the prior art does not actually disclose. Patent owners, in turn, should review petitions carefully for any reliance on general knowledge beyond legitimate uses, such as articulating a motivation to combine or describing the perspective of a person of ordinary skill in the art.

Although the memorandum addresses IPRs specifically, petitioners preparing post-grant review (PGR) petitions should expect the Office to apply the same reasoning to PGRs under Rule 204(b)(4). That rule, like its IPR counterpart, requires that a petition challenging patentability on prior art grounds must specify where each claim element is found in the prior art.

### **Consideration of Prior Adjudications (September 16, 2025)**

The USPTO's September memorandum provided comprehensive instructions for how the PTAB must treat prior determinations of fact or law from the USPTO, district courts, or the International Trade Commission (ITC). When challenged claims — or substantially similar claims — have already been adjudicated in another forum, the PTAB must explain any departure from prior outcomes. Where the same or substantially similar evidence or arguments are presented, the Board must provide a more detailed rationale. The PTAB is also required to consider relevant materials from the earlier proceeding, including opinions, judgments, and testimony, and may authorize additional briefing when helpful.

This guidance underscores the growing importance of parallel proceedings and encourages parties to proactively submit relevant prior rulings. Patent owners may benefit from a chance to enforce consistency across forums, while petitioners must be prepared to offer new evidence or reasoning to justify a different result.

## Director Control of Institution Decisions (October 17, 2025)

In a further structural shift, the USPTO announced that, beginning October 20, 2025, the Director — not PTAB panels — will issue all institution decisions for IPR and PGR petitions. Working in consultation with at least three PTAB judges, the Director will evaluate discretionary, merits-based, and statutory considerations. In typical cases, institution outcomes will be communicated through summary notices. For matters involving novel, complex, or significant issues, the Director may issue a detailed written decision or refer the institution's decision to PTAB judges. This new model supersedes the earlier interim workload processes. While briefing standards remain unchanged, PTAB panels no longer issue merits-based institution decisions.

## Restoration of Strict RPI Disclosures (October 28, 2025)

The year concluded with a policy reversal: reinstatement of the USPTO's strict approach to identification of real parties in interest (RPIs). By designating *Corning Optical Communications RF, LLC v. PPC Broadband, Inc.*, as precedential, the USPTO now requires petitioners to identify all RPIs before institution, with no opportunity to correct deficiencies after filing. This is a shift from the Office's prior policy, which had allowed petitions to proceed despite uncertainty or disputes regarding the RPI record. The Office explained that the restored standard is intended to reinforce fairness and transparency while addressing concerns about undisclosed entities influencing PTAB challenges — including entities with potential national-security implications. Petitioners must now undertake careful diligence to ensure complete and accurate RPI identification at the outset.

## Notice of Proposed Rulemaking (October 17, 2025)

The Office also issued a notice of proposed rulemaking (NPRM) in 2025 that would significantly change when the PTAB may institute IPR proceedings if enacted. The proposed rule would amend the rule governing institution of IPR — [37 C.F.R. § 42.108](#) — to add subsections (d)-(g):

- **§ 42.108(d) – Stipulation requirement.** The PTAB would not institute or maintain an IPR unless the petitioner stipulates that it will not pursue §§ 102 or 103 invalidity challenges in any other forum.
- **§ 42.108(e) – Prior validity findings.** The PTAB would be barred from reviewing claims previously found not invalid or not unpatentable under §§ 102 or 103 in another proceeding, including *ex parte* reexamination.
- **§ 42.108(f) – Parallel litigation.** The PTAB could not institute if another tribunal is likely to decide patentability under §§ 102 or 103 before the Board issues its final written decision.
- **§ 42.108(g) – Extraordinary circumstances.** The USPTO Director may authorize an institution despite these limits, but only upon a finding of extraordinary circumstances.

The proposed rule would significantly limit the types of invalidity arguments available to petitioners in other forums. Patent challengers would be required to forgo many validity positions in district court or the ITC as a condition of seeking PTAB review. The rule would also bar the PTAB from instituting and/or maintaining review when a patent's validity has already been adjudicated or when another proceeding is expected to reach a validity determination before the Board.

The USPTO released the proposal in October, expressing concerns that PTAB reviews addressing the same issues already before a district court increase, rather than reduce, litigation costs. The Office also warned that repeated challenges to the same patent can undermine the reliability of patent rights and weaken incentives to invest in new technologies.

The formal comment period closed in early December, generating over 11,000 submissions. Most were from individuals opposing the proposal on the ground that it would make it too difficult to challenge invalid patents. Many organizations representing frequent IPR petitioners echoed those concerns, filing comments sharply criticizing the plan. The proposal received strong support from patent owner groups, however. These groups argued that the changes would bring predictability to IPR and restore its intended role as a streamlined alternative to litigation — not a second forum for relitigating patent validity. A December 2025 study by Unified Patents provides a helpful statistical breakdown of the responses both for and against.

Given the highly polarized response to the NPRM, its fate remains uncertain. But if enacted, the proposed amendments to the IPR institution would have significant implications for patent litigation strategy. Because petitioners would be required to forgo their §§ 102 and 103 invalidity defenses in other forums, defendants may need to evaluate their invalidity positions early to determine whether pursuing an IPR is strategically viable. The rule's heightened focus on parallel proceedings would make forum selection and case timing far more consequential. Patent owners may increasingly file infringement actions in venues that can reach validity determinations quickly, effectively foreclosing IPR review, while accused infringers may seek to accelerate PTAB filings to preserve the opportunity for PTAB review.

## Proposed Legislation: The PREVAIL Act

The “Promoting and Respecting Economically Vital American Innovation Leadership” (PREVAIL) Act returned to Capitol Hill in 2025, marking another chapter in the decade-long battle over reforms to the 2011 AIA. The bill is sponsored by Senators Chris Coons (D-DE) and Thom Tillis (R-NC), along with Representatives Kevin Kiley (R-CA) and Scott Peters (D-CA) in the House, and includes proposals designed to, among other things, reshape the PTAB.

Proponents of the PREVAIL Act believe that the AIA has led to various “unintended consequences,” including the filing of post-grant proceedings to “depress stock prices and extort settlements.” They cite the filing of repetitive petitions that have the effect of “harassing patent owners,” and “unnecessary duplication of work” by district courts and the PTAB. The bill couches the need for PTAB reform partially in national security terms, stating that China is “leveraging and exploiting intellectual property as a critical tool within its national strategies for emerging technologies” and that the U.S. has failed to reform its patent laws in response. Proponents also have noted that the Act is needed to ensure “quiet title” to intellectual property rights.

### Inside the Bill: Key Provisions of the PREVAIL Act

The 2025 version of the PREVAIL Act is substantively similar to the version introduced in 2023, focusing on four main pillars.

#### 1. Standing requirement

Currently, any person can file an *inter partes* review (IPR) to challenge a patent at the PTAB, regardless of whether they have a stake in the dispute.

- **The change:** The PREVAIL Act would introduce restrictions on standing for the first time, limiting the standing to petition to entities that are non-profit organizations, those engaged in conduct or have a bone fide intent to engage in conduct that could reasonably be accused of infringement, or those that have been actually sued or that would have declaratory judgment standing in district court because they have been threatened with infringement suits.

- **Potential impact:** Suppresses petition filings from hedge funds and non-practicing entities such as defensive patent aggregators.

## 2. Single Forum

Under current law, a challenger can challenge the patentability of a patent at the PTAB while simultaneously challenging the validity of the same patent in federal district court.

- **The change:** The bill forces a choice. If a party's IPR petition is instituted at the PTAB, the party cannot pursue or maintain a claim, counterclaim, or affirmative defense in district court or the International Trade Commission (ITC) challenging the validity of any claim of the patent on any ground described in [35 U.S.C. § 311\(b\)](#). This bar attaches to the institution, with no apparent relief for the de-institution. Additionally, the Director cannot use co-pending litigation as a basis for denial.
- **Potential impact:** This has been called the “one bite at the apple” rule, and proponents contend that it is necessary to relieve patent owners from having to fight a two-front war by requiring that PTAB proceedings serve as an absolute alternative to litigation rather than a supplement to it. Opponents contend that this departs from the spirit of the original legislation and point to estoppel provisions that were included in that legislation to define a compromise.

## 3. Burden of Proof

In federal court, a patent is presumed valid, and a challenger must prove invalidity by clear and convincing evidence. With its USPTO roots, the PTAB applied a standard consistent with all other inquiries undertaken by the USPTO into patentability — preponderance of the evidence.

- **The change:** The PREVAIL Act raises the PTAB standard to **clear and convincing evidence**, matching the district court standard. In addition, the presumption of validity would apply to all challenged claims, also matching the district court standard.
- **Potential impact:** Patents will be presumed patentable at the PTAB, and petitioners would have to prove unpatentability by clear and convincing evidence.

## 4. Separation of Powers

- **The change:** The PREVAIL Act would require separate panels for institution and final decision, eliminating the perception of bias.
- **Potential impact:** The Director has, in parallel, introduced procedural changes that are proposed through this portion of the legislation. This calls into question the potential impact of this provision, and critics question the authority to enact through procedure changes contemplated by legislation.

## Reactions to the PREVAIL Act

John Squires, Director of the U.S. Patent and Trademark Office, endorsed the pending legislation in his confirmation hearing before the Senate Judiciary Committee on May 21. Asked by Senator Chris Coons (D-DE) whether the PTAB

needs reform and whether the PREVAIL Act would help, Squires answered both questions in the affirmative. Much of Squires' testimony before the committee focused on his support for various legislative patent reform initiatives, including the PREVAIL Act, as tools to boost U.S. competitiveness in the global market.

## Concerns

### Legal associations (concerns and opposition)

**PTAB Bar Association:** While recognizing the potential for supporting “just, speedy, and inexpensive” resolutions that reduce duplication of efforts between the PTAB and district courts, the Association opposes enactment of the bill in its current form due to key areas of concern.

- **Unintended consequences:** Limiting multiple petitions could block petitioners who have “good cause” to file multiple challenges due to a patent’s length or complexity.
- **Access barriers:** The standing requirement may limit access to just speedy and inexpensive resolutions.
- **Duplication risks:** Restrictions on joinder and new estoppel rules may paradoxically encourage duplicative challenges.
- **Investment and litigation:** The bill fails to account for plaintiff litigation behavior and precludes the clearance of invalid patents before proceeding with domestic investments.

**American Intellectual Property Law Association (AIPLA):** While generally supporting legislative efforts to improve the AIA, the AIPLA encouraged several amendments to the PREVAIL Act.

- **Specific clarifications:** They requested clarifications regarding standing (§ 4(a)), single forum provisions (§ 4(c)(1)(C)), estoppel provisions (§ 4(c)(1)(F)), and ITC determinations (§ 4(c)(1)(G)).
- **Parallel petitions:** Like the PTAB Bar Association, the AIPLA shares the concern that strict limits on multiple petitions could stymie parallel petitions filed for good cause.

### Inventor advocacy groups (support with amendments)

- **General stance:** Organizations, including US Inventor and the Innovation Alliance, express a desire for the type of change advanced through the bill.
- **Proposed amendments:** US Inventor notes that the bill, in its current form, does not go far enough to address “perverse incentives” and proposes a strengthening amendment.

### Industry groups (opposition)

- **Association for Accessible Medicines:** This generic and biosimilar advocacy group opposes the bill, arguing that it will make it more difficult for generics and biosimilars to challenge drug patents.

## What’s Next

As of April 2026, the future of the PREVAIL Act is uncertain.

- **The clock is ticking:** With the 2026 midterm elections approaching, the window for passing complex, controversial legislation is narrowing. The 11-10 committee vote for the 2023 version of the Act proved that this is not a slam-dunk piece of legislation. With a potentially reshaped legislative branch after the midterms, it is unclear if the PREVAIL Act will enjoy the same level of support.
- **Linked fates:** The PREVAIL Act is often discussed in tandem with the Patent Eligibility Restoration Act (PERA), which aims to reform patent eligibility under [35 U.S.C. § 101](#). While the patent-owner community largely supports both acts, the opposition is split. Some legislators are willing to fix *eligibility* (PERA) but are hesitant to weaken the *validity* challenge process (PREVAIL).
- **The bottom line:** If passed, the PREVAIL Act would be the most significant pro-patent reform since the PTAB was established. However, unless its sponsors can assuage fears about rising drug prices and litigation abuse, the bill risks suffering the same fate as its 2023 predecessor — stalling in committee while the debate rages on.

## The Year in Discretionary Denial

### February Recission of Vidal Memo

On February 28, 2025, the USPTO rescinded former Director Vidal’s 2022 memo, “Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation,” leading to an increase in *Fintiv*-based denials.

### March Memo on Bifurcation of Institution Decisions

On March 26, 2025, the USPTO issued a memorandum on interim processes for PTAB workload management, establishing a bifurcated procedure that included (1) a consideration of discretionary issues and (2) a consideration of the merits and non-discretionary issues. Under that procedure, discretionary considerations would first be evaluated by the Director, and cases that were not denied for discretionary reasons would then be referred to a panel for a merits review. The parties were instructed not to present discretionary considerations in the petition or in the POPR but rather in the discretionary denial briefing.

The patent owner’s discretionary denial brief was due within two months of the date on which a Notice of Filing Date Accorded was entered into the record, and the parties could not stipulate to a later due date. The petitioner’s brief opposing discretionary denial was due three months after the date on which a Notice of Filing Date Accorded was entered into the record, and the parties could not stipulate to a later due date. While additional briefing was not authorized by default, a party seeking additional briefing could seek authorization for such briefing upon a showing of good cause.

The memo included a list of “discretionary considerations” that the Director would evaluate, including:

- Whether the PTAB or another forum has already adjudicated the validity or patentability of the challenged patent claims
- Whether there have been changes in the law or new judicial precedent issued since the issuance of the claims that may affect patentability
- The strength of the unpatentability challenge

- The extent of the petition's reliance on expert testimony
- Settled expectations of the parties, such as the length of time the claims have been in force
- Compelling economic, public health, or national security interests
- Any other considerations bearing on the Director's discretion

## Decisions of Note under the Interim Process

### Showing of material error by the Office

In an earlier final written decision, the Board determined that U.S. Pat. No. 9,763,876 ("the '876 patent") was not entitled to the priority date of its provisional application. Later, the patent owner filed applications that issued as U.S. Patent Nos. 8,895,546 ("the '546 patent"); 11,241,414 ("the '414 patent"); and 11,793,786 ("the '786 patent"). During prosecution of the '414 and '786 patents, the examiner indicated that the claims were directed to different subject matter than the '876 patent and were entitled to the priority date of the U.S. provisional application. The petitioner challenged all three patents, demonstrating significant overlap in claimed subject matter with the '876 patent. The Acting Director found that the examiner's conclusion contradicted the decision of the Board regarding the '876 patent and therefore raised concerns of material error, which outweighed factors that weighed in favor of exercising discretionary denial. *Padagis US LLC v. Neurelis, Inc.*, IPR2025-00464, Paper 12 (Jul. 16, 2025) (Stewart) (informative).

### No discretionary denial where a second petition was necessitated by the patent owner's later assertion of claims not previously asserted

The Acting Director declined to exercise discretion to deny institution of a petitioner's second petition, explaining that the second petition was necessitated by the patent owner's later assertion of previously unasserted claims in district court. Although the petitioner was aware of the prior art asserted in the second petition when it filed the first, and although the scopes of the challenges overlapped substantially, the Acting Director found that the petitioner persuasively explained that the patent owner's subsequent assertion of previously unasserted claims in district court made a second petition necessary. The Acting Director noted that the petitioner acted diligently in filing the second petition and that the district court proceeding was stayed. *Savant Techs. LLC d/b/a GE Lighting v. Feit Electric Co., Inc.*, IPR2025-00260, Paper 16 (Jun. 12, 2025) (Stewart) (informative).

### No discretionary denial where the petitioner filed an earlier petition for PGR that was denied institution

A petitioner previously challenged a patent in a petition for PGR that was denied on the merits. The Acting Director noted that the PGR did not result in a final decision and that petitions for PGR are favored because they must be filed within nine months from grant of the patent, are close in time to examination, and occur before expectations in the patent rights are strongly settled. For these reasons, the decision noted that petitions for IPR "will generally not be discretionarily denied because of an earlier petition for post-grant review when the post-grant review was not instituted." Accordingly, the patent owner's request for discretionary denial was denied. *LifeVac LLC v. DCSTAR Inc.*, IPR2025-00454, Paper 11 (Jul. 11, 2025) (Stewart) (precedential).

### Acting Director exercises discretion to deny institution, explaining that petitions filed by time-barred parties should proceed only in exceptional circumstances

A patent owner filed a patent infringement complaint against the petitioner on September 28, 2023; it had also filed infringement actions against Texas Instruments, Inc. (“TI”) and NXP Semiconductors N.V. (“NXP”). TI filed an IPR petition, and a month later, NXP filed a copycat petition with a request to join the TI proceeding. The Board issued a decision granting institution of TI’s petition on November 26, 2024, and granting NXP’s petition and request to join the TI proceeding on December 19, 2024. Five days later, the petitioner filed a copycat petition and motion to join the TI proceeding. However, the petitioner’s statutory deadline to file a petition had already expired, so the petitioner was time-barred under § 315(b). The Acting Director thus discretionarily denied the petition, finding that the petitioner had not presented an exceptional circumstance that would justify proceeding where it was otherwise time-barred. *Realtek Semiconductor Corp. v. ParkerVision, Inc.*, IPR2025-00324, Paper 11 (Jun. 25, 2025) (Stewart) (precedential).

### **Discretionary denial where the petitioner filed a copycat petition and motion for joinder to a pending IPR, explaining that discretionary considerations are first reviewed for the petition on its own and then reviewed as if joinder were to be granted**

The petitioners filed an IPR petition with a motion for joinder to join an instituted proceeding. The Acting Director first noted that, given the request for joinder, the Board must first determine whether to institute before considering the joinder motion, and discretionary considerations are reviewed for the petition on its own and then reviewed as if joinder were to be granted. First, the Board observed that, absent joinder, it would be unlikely that a final written decision would issue before the district court trial. Additionally, there had been meaningful investment by the parties in the co-pending litigation. Next, the Board considered the facts as if joinder were to be granted, noting that those facts also favored denial. The projected final written decision deadline was after the scheduled district court trial date. As such, the Acting Director denied the patent owner’s request for discretionary denial. *Elong International USA Inc. v. Feit Electric Company, Inc.*, IPR2025-00258, Paper 16 (Jun. 25, 2025) (Stewart) (precedential).

### **Institution denied where the instant petition was the third petition involving the challenged patent, previous petitions were denied on the merits, and the instant petition raised concerns of road-mapping**

In considering a patent owner’s request for discretionary denial, the Acting Director first noted that some facts favored referral. For instance, the co-pending district court litigation was stayed, so it was unlikely that trial would precede a final written decision. However, other considerations weighed in favor of denial. Specifically, the instant petition was the third petition involving the challenged patent, and both prior petitions were denied based on the merits. While the instant petition relied on the same primary reference relied upon in an earlier petition, the petitioner argued that its reliance on additional prior art cured any purported deficiencies. The Acting Director noted that this admission raised concerns of road-mapping, which weighed in favor of discretionary denial. As such, the Acting Director granted the patent owner’s request for discretionary denial. *Alliance Laundry Systems, LLC v. PayRange LLC*, IPR2025-00950, Paper 11 (Sept. 19, 2025) (Stewart) (informative).

### **Acting Director sua sponte raises settled expectations and discretionarily denies institution because the patent had been in force for almost eight years**

Acting Director Stewart granted a patent owner’s request for discretionary denial after considering the totality of the evidence and arguments. While finding that some factors counseled against discretionary denial, the Acting Director observed *sua sponte* that the challenged patent had been in force for almost eight years, “creating settled expectations,” and noted that the petitioner did not provide “any persuasive reasoning why an *inter partes* review is an appropriate use of Office resources.” Thus, in the absence of such information, the Director denied institution. The Acting Director further indicated that there is no “bright-line rule on when expectations become settled,” though “the longer the patent has been in force, the more settled expectations should be.” *Dabico Airport Solutions Inc. v. AXA*

*Power ApS*, IPR2025-00408, Paper 21 (Jun. 18, 2025) (Stewart).

### **Acting Director’s discretionary denial based on settled expectations where the patent was in force since 2012 and the petitioner knew of it in 2013**

In a decision discretionarily denying institution, Acting Director Stewart cited the petitioner’s knowledge of one of the challenged patents as early as 2013, as evidenced by an information disclosure statement. In particular, the Acting Director found the patent owner’s arguments regarding its settled expectations to be persuasive in view of the petitioner’s earlier knowledge of the challenged patent and its failure to seek earlier review. Notably, the decision relied on the petitioner’s knowledge of a single challenged patent to provide sufficient patent owner settled expectations to deny institution of all five patents’ IPR challenges. *iRhythm Technologies, Inc. v. Welch Allyn, Inc.*, IPR2025-00363, -00374, -00376 to -00378, Paper 10 (Jun. 6, 2025) (Stewart).

### **Acting Director refuses discretionary denial due to petitioner’s showing of material error during examination**

A patent owner requested discretionary denial of IPRs petitioning for review of patents that had “been in force for approximately eighteen and seventeen years.” The Acting Director found that the “[p]etitioner provides persuasive reasoning, supported by evidence, that the Office erred” during prosecution of the patents. The petitioner’s primary reference (Carter) was never considered by the examiner during prosecution, and the Acting Director found that the petitioner had “persuasively explain[ed] that the patent examiner erred by overlooking the teachings of Carter.” Given this showing by the petitioner, the Acting Director found that it would be “an appropriate use of Office resources to review the potential error.” The Acting Director thus denied the patent owner’s request for discretionary denial and referred the IPR petitions to the Board. *Anthony, Inc. v. Controltec, LLC*, IPR 2025-00559, Paper 9 (July 16, 2025).

## **October Memo on Director Decisions on Institution**

On October 17, 2025, Director Squires issued a memorandum, effective October 20, 2025, that supersedes the March 26 memo. This memo offered a new institution decision process, which proceeds as follows:

- The Director, in consultation with at least three PTAB judges, will determine whether to institute trials in all IPR and PGR proceedings.
- Upon review of discretionary considerations, the merits, and non-discretionary considerations, if the Director determines that institution is appropriate, he will issue a summary notice to the parties granting institution. If the Director determines that the institution is not appropriate — whether based on discretionary considerations, the merits, or other non-discretionary considerations — he will issue a summary notice denying institution.
- In proceedings involving novel or important factual or legal issues, the Director may issue a decision on institution addressing those issues.
- Where the Director determines that detailed treatment of issues raised in a petition is appropriate, he may refer the decision on institution to one or more members of the PTAB.
- Instituted IPR and PGR proceedings will be referred to a three-judge PTAB panel to conduct trials.

The briefing process otherwise remains unchanged.

Director Squires issued his first notice of decisions on institution on October 31, 2025, denying review of 13 IPRs.

## Mandamus Petitions at the Federal Circuit

Since the USPTO rescinded former Director Vidal's 2022 memorandum concerning discretionary denials under the *Fintiv* framework (Vidal Memo) in PTAB proceedings and implemented new guidance in the March 26, 2025, Interim Processes for PTAB Workload Management (2025 Interim Memo), discretionary denials have increased significantly. The USPTO's recent notice of proposed rulemaking to codify aspects of the discretionary denial framework and Memorandum Regarding Director Institution of AIA Trial Proceedings underscores the agency's commitment to these changed policies.

Because the AIA states that institution decisions in post-grant proceedings are "final and nonappealable," [35 U.S.C. § 314\(d\)](#), the effects of this change in USPTO policy are insulated from ordinary appellate review. Nevertheless, aggrieved petitioners have filed petitions for writs of mandamus at the United States Court of Appeals for the Federal Circuit asking the court to overturn various aspects of the USPTO's new approach to discretionary denials.

The Federal Circuit denied all petitions in batches of decisions issued from December 2025 to March 2026.

The most detailed decision, *In re Motorola Solutions, Inc.*, No. 25-134, is designated precedential. Motorola had argued that it was deprived of due process by retroactive application of the February 28, 2025, rescission of the Vidal Memo concerning discretionary denials, but the court found no due process violation because (1) the benefit of IPR is left "to the discretion of a government official" so that "no protected property interest in that benefit can arise," Slip op. at 7 (quoting *Bloch v. Powell*, [348 F.3d 1060](#), 1069 (D.C. Cir. 2003)), and (2) Motorola did not "ask for additional process," *id.*

The court rejected the argument that the Vidal Memo constrained the Board's discretion sufficiently to give rise to a property interest, *id.* at 8 and found that Motorola's alleged property interest was rooted in its "own unilateral expectation" as opposed to "any separate property interest," *id.* at 9. Regarding Motorola's arguments about the retroactive application of the rescission, the opinion reasons that Motorola "did not experience anything close to the kind of unfair surprise that might raise a due process violation" because it knew of the *Fintiv* precedent and was "on notice that the interim guidance" of the Vidal Memo "could be modified at any time." *Id.* "Moreover, rescission of the interim guidance did not affect Motorola's ability to properly raise its patentability defenses elsewhere[,] such as in a district court action. *Id.* at 10.[\[2\]](#)

## Developments in *Ex Parte* Reexamination

The following summarizes the statistical shifts, leadership changes, and key legal developments relating to *ex parte* reexamination (EPRx) at the USPTO in 2025.

### 1. Statistical Trends: Reexamination Filings Surge

The volume of EPRx requests filed with the USPTO increased significantly in 2025. Data indicates a 66% increase in total reexamination filings compared to 2024 levels.[\[3\]](#) This rise in reexamination filings occurred alongside a decrease in IPR institution rates, particularly in the fourth quarter of 2025.[\[4\]](#)

### 2. *In re Gesture Technology Partners, LLC* — Applicability of § 315(e) Estoppel to EPRx

On December 1, 2025, the U.S. Court of Appeals for the Federal Circuit issued a precedential decision in *In re*

*Gesture Technology Partners, LLC*, addressing the scope of estoppel under [35 U.S.C. § 315\(e\)\(1\)](#).

- **Estoppel and pending proceedings:** The court held that the estoppel provisions of [35 U.S.C. § 315\(e\)\(1\)](#), which bar a petitioner from “requesting or maintaining” a proceeding on grounds raised in a failed IPR, do not require the termination of a *pending* EPRx. [\[5\]](#) The Federal Circuit reasoned that once a reexamination is filed, the proceeding is “maintained” by the USPTO rather than the requester, meaning the § 315(e) estoppel does not strip the Office of authority to complete the examination.
- **Jurisdiction over expired patents:** The decision also affirmed that the USPTO retains jurisdiction to conduct reexaminations of expired patents. Citing the “public rights” doctrine, the court ruled that the potential for past damages creates a live controversy sufficient to warrant administrative review even after the patent term has ended.

### 3. *In re Dahle*: Estoppel Certification

In March 2025, the USPTO issued *In re Dahle*, clarifying the requirements for the “estoppel certification” that must accompany a request for EPRx. The decision establishes that the Office generally will rely on the registered practitioner’s certification that the requester is not estopped under § 315(e)(1). The Office states that it will not conduct an independent investigation into the “real party in interest” underlying a request unless it becomes aware of facts that call the certification into question.

### 4. Director-initiated Reexamination: *Nintendo*

On November 3, 2025, USPTO Director John Squires exercised *sua sponte* authority to order EPRx of U.S. Patent No. 12,403,397, assigned to Nintendo. This marked the first instance of a Director-initiated reexamination order since 2012. [\[6\]](#) The patent, which covers game mechanics involving character summoning, is currently asserted in litigation against Pocketpair (developer of *Palworld*). The Director’s order cited two prior art references — a 2002 application by Konami and a 2019 application by Nintendo — as raising a substantial new question of patentability regarding the claimed “battle modes.”

### 5. Notice of Proposed Rulemaking: Proposed Rule That Precludes IPR after a Preceding EPR

On October 17, 2025, the USPTO published a notice of proposed rulemaking outlining changes to PTAB trial practices. The proposed rules include provisions that would prevent the institution of an IPR after prior adjudication in other forums, including EPRx. The proposal in question is proposed Rule [37 C.F.R. § 42.108\(e\)](#), which would preclude the Board from instituting an IPR if the challenged claim (or a parent independent claim) was previously adjudicated as “patentable” or “not invalid” in a district court, the International Trade Commission, or EPRx. [\[7\]](#) Under this proposal, a favorable decision in a reexamination could effectively bar future IPR challenges against the same claims.

### 6. Leadership Changes at the Central Reexamination Unit

In the second half of 2025, the Central Reexamination Unit (CRU) — the body within the USPTO responsible for overseeing the examination and handling of EPRx — underwent multiple changes in executive leadership.

On August 28, 2025, the USPTO announced that Scott R. Boalick, then Chief Judge of the PTAB, and Michael Tierney, then Vice Chief Judge, were reassigned to lead the CRU. The Office stated this move was necessary to

ensure leadership continuity following the departure of the previous CRU director. [\[8\]](#)

Following the reassignment, former Chief Judge Boalick retired from the agency in late December 2025. As of February 2026, the USPTO's website identifies Fenn C. Mathew as the Acting Director of the CRU. [\[9\]](#)

## Takeaways for Patent Owners and Requesters

### For patent owners:

- **Defense on multiple fronts:** The *Gesture* decision clarifies that a previously filed EPRx may be maintained even after IPR estoppel attaches, potentially requiring patent owners to defend claims in the CRU after a PTAB trial concludes.
- **Potential preclusion benefits:** If Proposed Rule 42.108(e) is finalized, a favorable outcome in an EPRx could impact future IPR institution.

### For requesters:

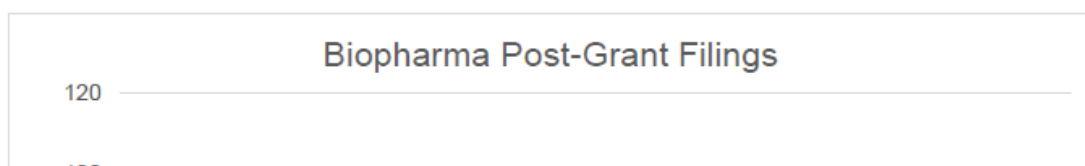
- **Alternative venue availability:** With IPR institution rates declining, EPRx offers a venue that may be less susceptible to discretionary denial based on policy considerations (e.g., parallel litigation).
- **Procedural certification:** The *Dahle* decision indicates that the USPTO places significant weight on practitioner certifications regarding estoppel, generally declining to conduct independent "real party in interest" investigations at the filing stage without specific evidence to the contrary.

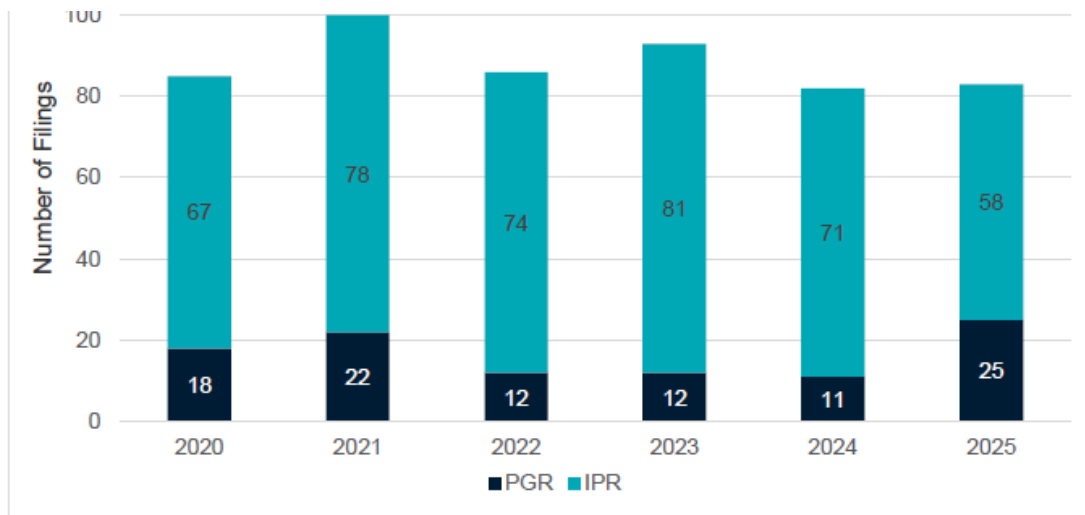
## Biopharma at the PTAB

*Casey Kraning, Ph.D., is a principal at Fish & Richardson who brings deep scientific experience to patent litigation and post-grant matters for clients in the life sciences, pharmaceutical, and biotechnology industries. In her practice, she brings creative litigation strategies and advocates for clients in all stages of inter partes review.*

Discretionary denial continues to be an oft-disputed and frequently litigated issue. After a period of relative calm following former Director Kathi Vidal's 2022 memo constraining discretionary denial, Acting Director Coke Morgan Stewart and Director John Squires made several reforms in 2025 generally aimed at expanding its application.

In calendar year 2025, there were a total of 83 post-grant petitions filed involving biopharma patents, which we define as those having issued in USPTO Technology Center 1600. Post-grant filings in the biopharma space were even with last year's filings, which had previously seen a slight drop from 2023 and 2022. The majority of petitions filed in 2025 were IPR petitions, at 58, compared to 25 PGR petitions (up significantly from last year's 12 PGR petitions). Interestingly, while biopharma IPR petitions accounted for only ~5% of all IPR petitions filed in 2024, PGR petitions account for roughly a third of all 2025 PGR petitions. Of the biopharma IPRs that reached an institution decision in 2025, only ~55% were instituted — a steep decline from the ~83% that were instituted in 2024. PGRs, on the other hand, had a high institution rate of 86% in 2025, compared to only 25% in 2024.





Source: Lex Machina

The most active biopharma petitioner in 2025, for the second year in a row, was Merck Sharp & Dohme, LLC, which filed 11 PGR petitions challenging patents related to peptides with hyaluronidase activity that can be co-formulated for the injection of biologics, held by Halozyme, Inc. These PGRs were preceded by four additional PGR petitions filed in 2024. To date, the PTAB has instituted trial on 14 of the 15 petitions, and the institution decision on the last remaining petition is expected in May 2026. Final written decisions in the PGRs are expected between June and November 2026.

Also active in 2025 was Azurity Pharmaceuticals, Inc., which filed six IPR petitions and two PGR petitions in total. The PTAB instituted five IPRs challenging patents related to methods of treating nausea and vomiting with a combination of netupitant, palonosetron, and/or dexamethasone, held by Helsinn Healthcare SA, relating to Helsinn’s Akynzeo® treatment. Final written decisions are expected in November 2026. The sixth IPR petition, challenging an Exelixis, Inc., patent related to compositions and methods of treating cancer with cabozantinib with reduced amounts of certain quinoline compounds, was discretionarily denied in July 2025. Additionally, Azurity’s two PGR petitions challenged Heron Therapeutics, Inc., patents related to formulations of aprepitant, another anti-nausea medication. The PTAB discretionarily denied both challenges in August 2025 due to the proximity of a projected final written decision to the scheduled trial date in the parallel district court proceeding.

Activity in the biologics and biosimilars space at the PTAB in 2025 ticked back up from 2024, with 18 IPR petitions (compared to the 11 petitions filed in 2024) and 13 PGR petitions (compared to 4 petitions filed in 2024).

2025 saw the resolution of nine IPRs that the PTAB had instituted on behalf of Merck Sharp & Dohme Corp., which challenged nine separate patents held by Johns Hopkins University directed to methods of treating microsatellite instability-high or DNA mismatch repair-deficient cancers with pembrolizumab. The PTAB issued final written decisions across all nine proceedings between June and November 2025, finding all challenged claims unpatentable. Johns Hopkins has filed notices of appeal for all nine proceedings, and the Federal Circuit has consolidated those into a single appeal.<sup>[10]</sup>

**Footnotes**

- <sup>1</sup> For more information about Squires and his background, see “Trump Nominates John Squires as USPTO Director: Here’s What to Watch.”
- <sup>2</sup> For more information about the mandamus petitions, please see “Federal Circuit Denies All Mandamus Petitions Challenging Discretionary Denial Policies.”
- <sup>3</sup> <https://www.unifiedpatents.com/insights/2026/1/13/patent-dispute-report-2025-in-review>

<sup>4</sup> *Id.*

<sup>5</sup> *In re Gesture Technology Partners, LLC*, Case No. 2025-1075 (Fed. Cir. Dec. 1, 2025)

<sup>6</sup> <https://ipfray.com/uspto-director-squires-orders-rare-director-initiated-ex-parte-reexamination-of-nintendo-patent-indirectly-as-result-of-games-fray-article>

<sup>7</sup> <https://www.federalregister.gov/documents/2025/10/17/2025-19580/revision-to-rules-of-practice-before-the-patent-trial-and-appeal-board>

<sup>8</sup> <https://news.bloomberglaw.com/ip-law/chief-patent-office-judge-moves-to-reexamination-unit-in-shakeup>

<sup>9</sup> <https://www.uspto.gov/patents/central-reexamination-unit>

<sup>10</sup> For more information about post-grant developments in biologics and biosimilars, please see “Biologics and Biosimilars Landscape 2025: IP, Policy, and Market Developments.”

<https://prod.resource.cch.com/resource/scion/document/default/e2d10e8218f74d218b1caf7429f32a15?cfu=Legal&cpid=WKUS-Legal-Cheetah&uAppCtx=cheetah>