

Updates to the AIA Trial Practice Guide

August 21, 2019



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Overview

- **Topics**

- Important decisions
- Developments
- Practice tips

- **Housekeeping**

- CLE
- Questions
- Materials
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Register

On July 15, 2019, the USPTO published its second update to the AIA [Trial Practice Guide](#). This update primarily incorporates decisions that the PTAB has designated as precedential since the first update in August 2018, and it covers a wide variety of topics ranging from the filing of a petition to the re-opening of proceedings following remand from the Federal Circuit. Join Fish Principal [David Holt](#) and Associate [Kenneth Darby](#) for our latest Post-Grant for Practitioners webinar, where our hosts will take a deep dive into these topics and more, including:

- Claim construction
- Patent owner preliminary responses
- Discretionary trial institution

Register today!



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If you have questions, please contact [Angela Park](#).

Agenda

- **Claim Construction**
 - Petitioner’s initial responsibility to take a position
 - Limited scope of claim construction issues raised in reply
 - Prior statements and determinations from co-pending litigation
 - Juggling parallel post-grant and district court proceedings
- **Patent Owner Preliminary Responses**
 - Sample argument checklist
 - Pre-institution testimonial evidence
 - Opportunities to influence the proceeding
- **Discretionary Institution: Parallel Petitions**
 - Nuts-and-bolts of new procedure
 - Examples from the Trial Guide Update and *Comcast v. Rovi*
- **Joinder Motions**



Claim Construction

Claim Construction

The Parties

- If a term requires an express construction, the petitioner “must” articulate and support a proposal in the petition.
- If the petitioner believes no terms require construction, a statement to this effect will suffice.
- The petitioner can respond to any claim construction issues raised by the patent owner, but cannot raise “new” issues.
- Each party bears the burden of providing sufficient support for its proffered construction.
- Constructions contested in the preliminary phase of the trial will be addressed in the Board’s institution decision.

Claim Construction

The Board

- The Board can raise a construction issue “on its own.”
- If so, both parties will be afforded an “opportunity to respond.”
- *Hamilton Beach Brands, Inc. v. f’real Foods, LLC*, 908 F.3d 1328, 1339 (Fed. Cir. 2018)
 - No APA violation because the parties had notice of the Board’s proposed construction and an opportunity to respond.
 - The “opportunity” came live at the oral hearing.

Claim Construction

Petitioner's Initial Responsibility

“If a petitioner believes that a claim term requires an express construction, ***the petitioner must*** include a statement identifying ***a proposed construction*** of the particular term and where the intrinsic and/or extrinsic evidence ***supports that meaning***. On the other hand, a petitioner may include a statement that the claim terms require ***no express construction***.”

July Trial Guide Update, p.13

Claim Construction

Petitioner's Initial Responsibility

“[T]he petition must set forth . . . ***How the challenged claim is to be construed.*** . . . [And] [h]ow the construed claim is unpatentable[.]”

37 C.F.R. §§ 42.104(b)(3)-(4).

Claim Construction

Petitioner's Initial Responsibility

Public comments questioning 37 C.F.R. § 42.104(b)(3):

- Comment 35: Burdensome and will cause delays
- Comment 36: The DCt approach is better
- Comment 37: Not enumerated by statute
- Comment 38: Both parties should brief and respond to the Board's decision on claim construction

77 Fed. Reg. 48,680, 48,699-700 (Aug. 14, 2012).

Claim Construction

Petitioner's Initial Responsibility

“The Office believes that the petitioner’s claim construction requirement will *improve* the *efficiency* of the proceeding. As discussed previously, the petitioner’s claim construction will help to *provide sufficient notice to patent owner* on the proposed grounds of unpatentability, and *assist the Board* in analyzing how a cited prior art [reference] meets the claim limitation.”

77 Fed. Reg. 48,680, 48,700 (Aug. 14, 2012).

Claim Construction

Petitioner's Initial Responsibility

“Petitioners are not required to define every claim term, but merely to provide a statement that the claim terms are presumed to take on their ordinary and customary meaning, and to ***point out any claim term that has a special meaning and the definitions in the specification.***”

77 Fed. Reg. 48,680, 48,700 (Aug. 14, 2012).

Claim Construction

Petitioner's Opportunity to React in Reply

“The *petitioner may respond* to any such new claim construction issues raised by the patent owner, *but cannot raise new claim construction issues* that were not previously raised in its petition.”

July Trial Guide Update, p.13.

Claim Construction

Means Plus Function Claims

- A petitioner “must” provide a construction of any terms that “may” be subject to 35 U.S.C. § 112(f).
- Failure to construe 112(f) terms may lead to denial of institution pursuant to 37 C.F.R. § 42.104(b)(3).
 - *Orthopediatrics Corp. v. K2M, Inc.*, No. IPR2018-01547, Paper 9 at 6–11.
- The parties may choose to explain why 112(f) should or shouldn’t apply to specific terms under *Williamson v. Citrix Online, LLC*, 792 F.3d 1339.

Claim Construction

Prior Determinations Under *Phillips*

- The Board will “consider” any prior claim construction determination from a district court or the ITC that is “timely” made of record.
- “Consider” – The Board will give prior determinations “appropriate weight.”
 - Similarities between the PTAB record and the district court or ITC record
 - Status of the prior determination (final or interlocutory?)
 - Origin of the prior determination (contested or stipulated?)
- “Timely” – Parties should submit prior determinations ASAP.
 - Preferably with a corresponding paper (e.g., petition, response); otherwise as supplemental information
 - Mandatory under 42.51(b) if inconsistent with a position advanced by a party during the proceeding

Claim Construction

Prior Statements Under *Phillips*

- The Board will consider prior statements made by either party in other proceedings.
 - Must be timely submitted
 - Must be identified with specificity
 - Must be explained
- Prosecution history from other AIA proceedings will be considered.
 - Could support a disclaimer theory
 - *Aylus Networks, Inc. v. Apple Inc.*, 856 F.3d 1353, 1360–61 (Fed. Cir. 2017) (finding disclaimer based on POPR statements)

Claim Construction

Juggling Parallel Proceedings

- Prior art applies to each party's DCt construction
 - Alternative grounds address alternative constructions (Instituted)
 - *U.D. Elec. Corp. v. Pulse Elec's., Inc.*, IPR2019-00511, Paper 10 at 13-14, 37-38
 - Same ground covers alternative constructions (Instituted)
 - *Semiconductor Components Industries, LLC v. Power Integrations, Inc.*, IPR2018-01811, Paper 11 at 12-14, 24-26
- Prior art applies only to patent owner's DCt construction
 - PO's construction proposed and supported with evidence (Instituted)
 - *Western Digital Corp. v. SPEX Tech's, Inc.*, IPR2018-00084, Paper 14 at 9-12
 - *General Elec. Co. v. Vestas Wind Systems A/S*, IPR2018-00928, Paper 9 at 11-17
 - PO's construction articulated w/o support and disparaged (Denied)
 - *Hologic, Inc. v. Enzo Life Sciences, Inc.*, IPR2018-00019, Paper 21 at 3-7

Claim Construction

Juggling Parallel Proceedings

- Petitioner's DCt construction implies indefiniteness
 - No effect on prior art comparison (Institution Decision Sustained)
 - *Mylan Pharm. v. Horizon Pharma USA*, IPR2018-00272, Paper 35 at 5-8
 - Claim still amenable to construction (Instituted)
 - *Intex Recreation v. Bestway (USA)*, IPR2019-00454, Paper 7 at 9-13
 - Prior art comparison precluded (Denied)
 - *Facebook v. Sound View Innovations*, IPR2017-00998, Paper 13 at 8-14
 - *BlackBerry v. MobileMedia Ideas*, IPR2013-00036, Paper 65 at 19–20
 - *Apple v. Valencell*, IPR2017-00319, Paper 10 at 12–14
 - MPF claims lacking structure cannot be compared to the prior art (Denied)
 - *Becton, Dickinson & Co. v. Baxter Int'l.*, IPR2018-01741, Paper 8 at 14-16
 - *CareFusion Corp. v. Baxter Int'l.*, IPR2016-01456, Paper 9 at 6-10



Patent Owner Preliminary Responses

Preliminary Response

A Handy Argument Checklist

- Petitioner is statutorily barred
- Asserted references are not “printed publications”
- Prior art lacks a “material” claim limitation
- Prior art does not disclose what petitioner says it does
- Petitioner’s claim interpretation is unreasonable
- The Board should exercise its 325(d), 314(a) discretion

Preliminary Response

Testimonial Evidence

- Permitted since April 2016 rule change.
- A “genuine issue of material fact” created by such evidence will be viewed in favor of petitioner at the institution stage.
 - Affords petitioner an opportunity to cross-examine the declarant
- “Dueling experts” do not necessarily raise a genuine issue of material fact.
 - *Mortgage Grader, Inc. v. First Choice Loan Servs. Inc.*, 811 F.3d 1314
 - Expert reports from both parties immaterial
 - *KTEC, Inc. v. Vita-Mix Corp.*, 696 F.3d 1364
 - Expert reports not credible and lacked a “rational underpinning”
 - *Minkin v. Gibbons, P.C.*, 680 F.3d 1341
 - Expert report silent on critical fact question

Preliminary Response

Testimonial Evidence

- Patent Owner may choose not to rely on pre-institution testimony in the instituted trial.
 - Must notify the Board, e.g., by affirmatively withdrawing the testimony in the Patent Owner Response
 - Declarant of withdrawn testimony will “usually” not be subject to deposition
- Submission of testimonial evidence may warrant a reply brief from the petitioner.
 - Requires a showing of “good cause”
 - A rare remedy in view of the Board’s time constraints

Preliminary Response

Strategic Options for Influencing the Proceeding

- Waiver of Preliminary Response
 - Increases likelihood of institution
 - Expedites the proceeding (35 U.S.C. 314(b); ID w/in 3 months)
- Statutory Disclaimer
 - All Challenged Claims:
 - Avoids institution; trial terminated
 - PO estoppel under 42.73(d)(3)(i) attaches
 - *Arthrex, Inc. v. Smith & Nephew, Inc.*, 880 F.3d 1345
 - Subset of Challenged Claims
 - Institution decision based only on remaining claims
 - PO estoppel under 42.73(d)(3)(i) likely does not attach
 - *Daikin Indus., Ltd. v. Chemours Co. FC, LLC*, IPR2018-0993, Paper 12 at 5



Discretionary Institution: Parallel Petitions

Parallel Petitions

The Bottom Line

- Multiple contemporaneously filed petitions may be burdensome and raise fairness/timing/efficiency concerns.
- Only in “rare” circumstances will two petitions against the same patent be deemed necessary.
 - Circumstances warranting three or more petitions are “unlikely.”
- A petitioner filing multiple petitions must:
 - Rank the petitions in the order it wishes the Board to consider the merits; and
 - Explain the material differences between the petitions and justify institution of more than one.

Parallel Petitions

The Details

- A petitioner that filed before publication of the July Trial Guide Update “may” be authorized by the Board to file an additional paper explaining/justifying multiple petitions.
- **A petitioner** that **files** after publication **is** “expected” to explain/justify multiple filings in the first instance.
 - Either in the petition or a separate 5-page paper
- A patent owner will be afforded a separate 5-page paper with the preliminary response to rebut petitioner’s rationale.

Parallel Petitions

Trial Guide Examples

- Multiple petitions may be needed where:
 - Patent owner has asserted a large number of claims in litigation; and/or
 - There is a dispute about the priority date that requires multiple alternative prior art grounds.
- Beyond disputing petitioner's justification, patent owner may proffer stipulations that resolve issues raised by petitioner.
 - E.g., “a stipulation that certain claim limitations are not disputed or that certain references qualify as prior art”

Parallel Petitions

Comcast v. Rovi (IPR2019-00224-229) Example

Alleged Material Differences Between Petitions and Rebuttals

- **PET:** Certain prior art more/less susceptible to swear behind attack
 - *PO: agreed not to swear behind*
- **PET:** Certain prior art more/less susceptible to 325(d) attack
 - *PO: advancing art not considered by the examiner is a strategic choice*
- **PET:** Some petitions advance anticipation, others obviousness
 - *PO: structuring the proffered grounds under anticipation/obviousness is a strategic choice*
- **PET:** Some primary references stronger/weaker on key feature
 - *PO: select the best art; avoid “shotgun approach”*
- **PET:** Different art references provide key features under PO’s shifting claim construction positions
 - *PO: allegations of shifting positions are immaterial/unfounded*



Joinder Motions

Joinder Motions

New Points Worth Noting

- “A party who files a motion for joinder should arrange a conference call with the panel, petitioner, and patent owner of the first proceeding within five business days of filing the motion.”
- Guidance re issue joinder pursuant to *Proppant Express*
 - “Only where fairness requires it and to avoid undue prejudice to a party”
 - Expects to permit such joinder “only in extremely limited circumstances” (e.g., late additions of claims in litigation)
 - Keep an eye on *Facebook, Inc. v. Windy City Innovations, LLC*, Appeal No. 2018-1400

Thank You!

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