

Post-Grant Webinar Series

Post-Grant for Practitioners: Post-Grant Appeals

November 10, 2021

FISH.
FISH & RICHARDSON

Meet The Speakers



John Dragseth
Principal



Nitika Gupta Fiorella
Principal

Overview

- **Topics**
 - Important Decisions
 - Developments
 - Practice Tips
- **Housekeeping**
 - CLE
 - Questions
 - Materials
 - <http://www.fr.com/webinars>

+ Complimentary CLE Webinar

Hatch-Waxman 2021 Year in Review

[SIGN ME UP](#)



DATE
Thursday,
December 9, 2021



TIME
1:30 - 2:30 PM ET/
10:30 - 11:30 AM PT

Life Sciences Webinar | Hatch-Waxman 2021 Year in Review

The Hatch-Waxman Act, passed in 1984, revolutionized the generic drug industry, and its effects are still being felt today. Several cases decided in 2021, including those touching on induced infringement and venue, could have far-reaching effects on the practice.

Complimentary Webinar
Thursday, December 9, 2021
1:30 - 2:30 PM ET

[REGISTER](#)

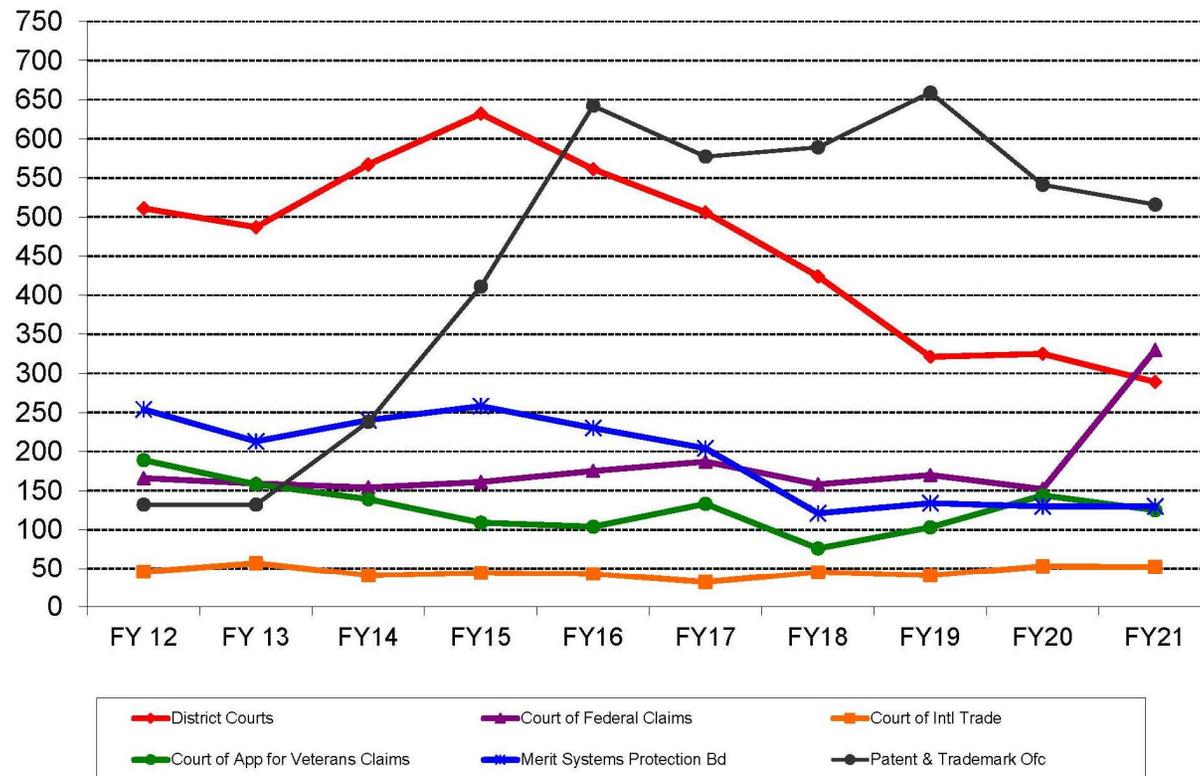
Agenda

- **Introduction and Overview**
- **Best Practices**
- **Important Recent Case Developments**
- **Outstanding Issues**



Introduction and Overview

Appeals Filed in Major Regions



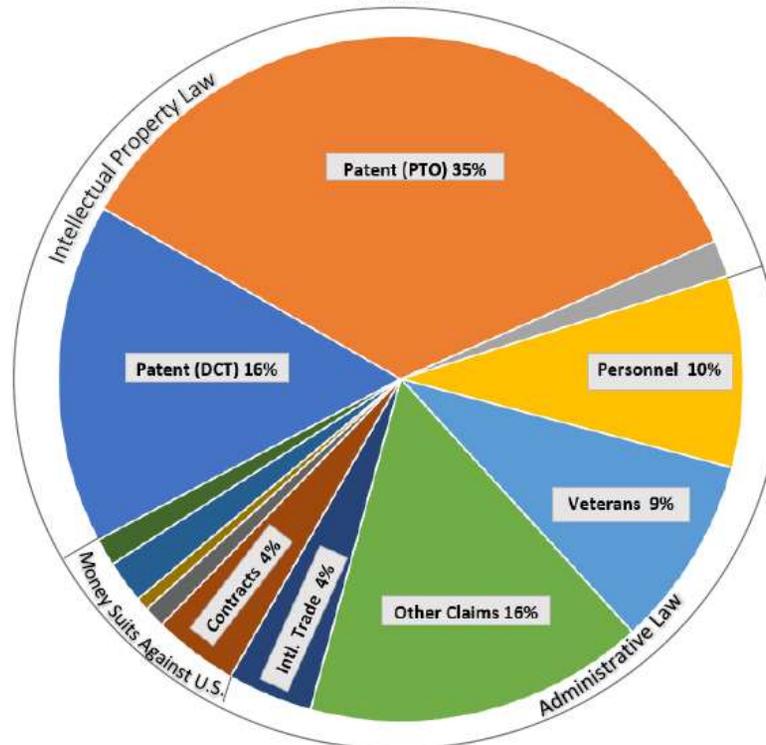
Notes: Includes reinstated, cross-, and consolidated appeals.

Graph from <https://cafc.uscourts.gov/home/the-court/reports-statistics/> as of November 2021

2021 Cases by Origin

United States Court of Appeals for the Federal Circuit

Appeals Filed, by Category
FY 2021

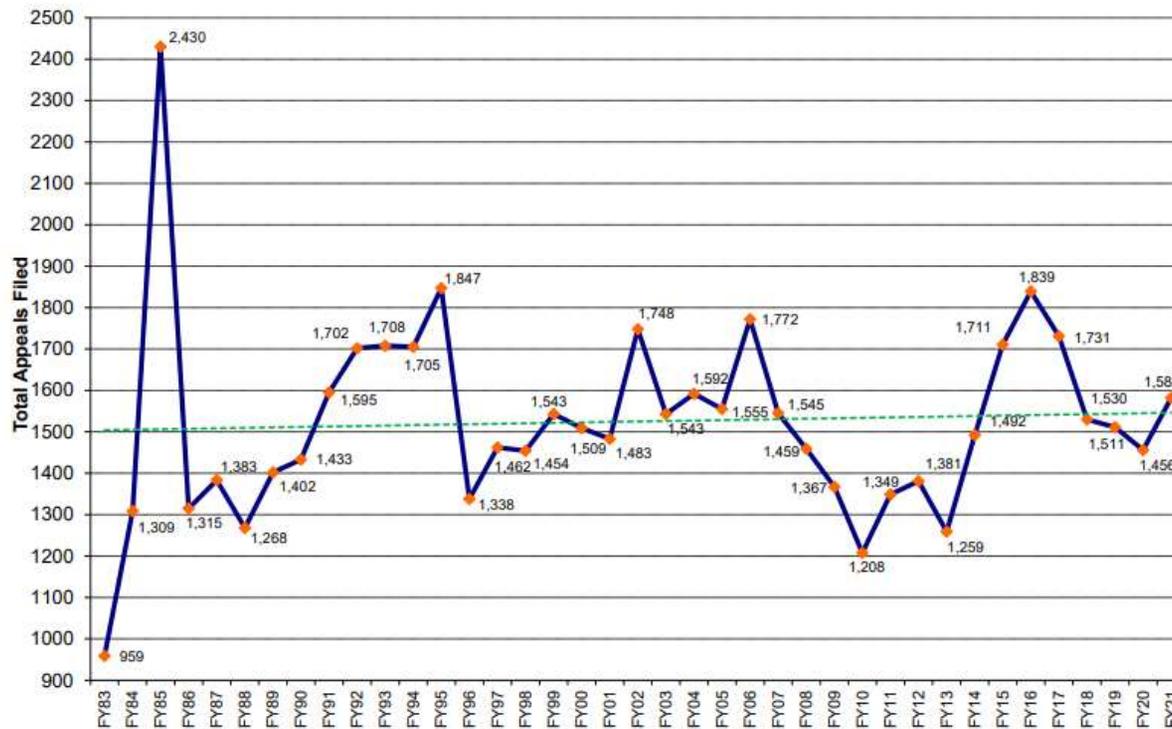


■ Trademark 2% ■ T Takings 1% ■ Vaccine 1% ■ Tax 2% ■ Mil/Civ Pay 1%

Graph from <https://cafc.uscourts.gov/home/the-court/reports-statistics/> as of November 2021

Historical Caseload – Overall

United States Court of Appeals for the Federal Circuit
Historical Caseload



Note: Includes reinstated, cross- and consolidated appeals.

Graph from <https://cafc.uscourts.gov/home/the-court/reports-statistics/> as of November 2021

Mean Time to Disposition

United States Court of Appeals for the Federal Circuit

Median Time to Disposition in Cases Terminated After Hearing or Submission¹

Docketing Date² to Disposition Date, in Months

	<u>FY 12</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16</u>	<u>FY 17</u>	<u>FY 18</u>	<u>FY 19</u>	<u>FY 20</u>	<u>FY 21</u>	<u>Overall Median per Origin</u>
District Court	11.8	11.8	12.0	12.0	13.0	13.0	14.0	16.0	13.0	12.0	12.5
Court of Federal Claims	9.9	10.4	10.0	10.0	9.0	9.0	11.0	12.0	15.0	12.0	10.2
Court of International Trade	12.6	12.4	13.0	12.0	13.0	15.0	14.0	14.0	15.0	13.0	13.0
Court of Appeals for Veterans Claims	8.6	11.2	10.0	7.0	7.5	6.0	14.0	12.0	7.5	10.0	9.3
Board of Contract Appeals	11.5	13.3	16.0	10.0	10.0	9.0	13.5	16.0	14.0	11.5	12.4
Department of Veterans Affairs	15.7	n/a	n/a	16.0	13.0	17.0	19.0	17.0	15.5	28.0	16.5
Department of Justice	n/a	9.7	12.0	5.9	12.0	13.0	12.0	15.0	11.5	4.5	12.0
International Trade Commission	16.1	13.7	16.0	13.0	17.0	13.0	11.0	17.0	17.0	14.5	15.3
Merit Systems Protection Board	6.4	7.4	6.0	6.5	7.0	6.0	12.0	12.5	11.0	10.0	7.2
Office of Compliance	n/a	n/a	n/a	n/a	n/a	n/a	14.0	13.0	n/a	n/a	13.5
Patent and Trademark Office	11.7	10.1	10.0	11.0	11.0	13.0	15.0	15.0	14.0	14.0	12.4
Government Accountability Office	n/a	n/a	n/a	n/a	11.0	n/a	n/a	n/a	n/a	n/a	11.0
Overall Median per Fiscal Year	11.7	11.2	12.0	10.5	11.0	13.0	14.0	15.0	14.0	12.0	12.0

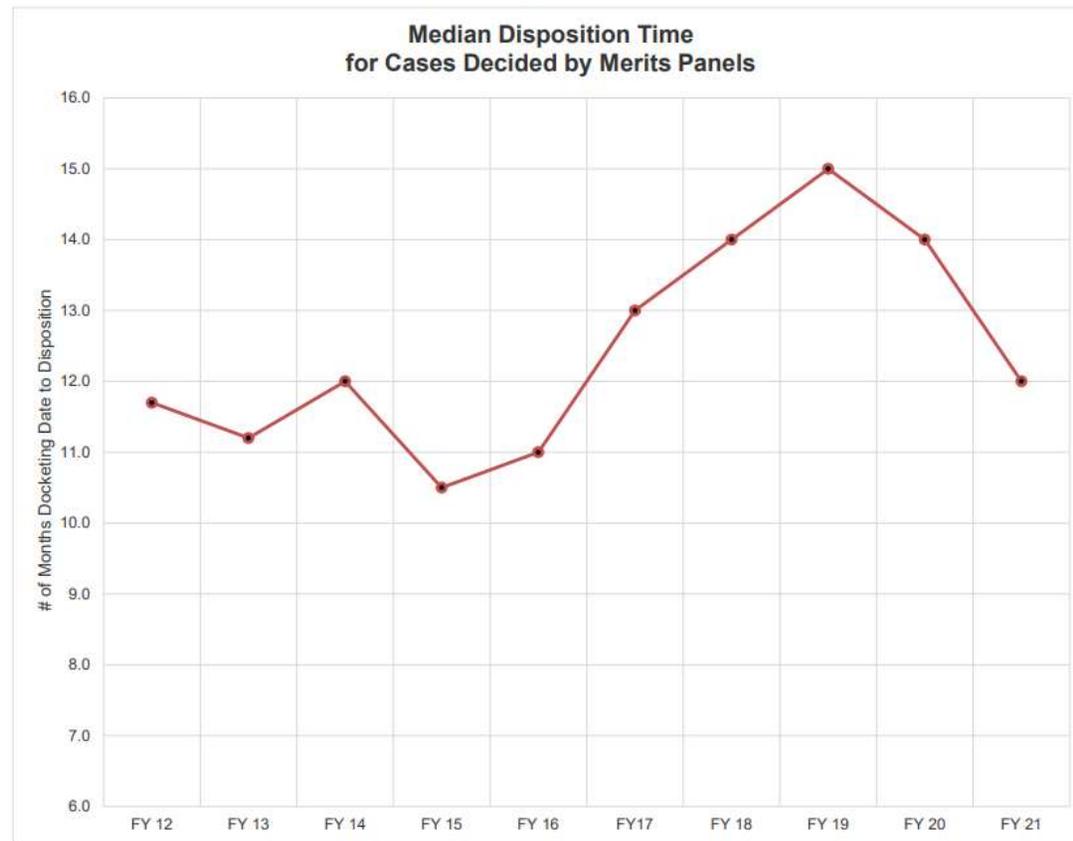
¹ Excludes cross and consolidated appeals, writs, and OPM petitions

² Calculated from Date of Docketing or Date of Reinstatement, whichever is later

Graph from <https://cafc.uscourts.gov/home/the-court/reports-statistics/> as of November 2021

Mean Time to Disposition

United States Court of Appeals for the Federal Circuit



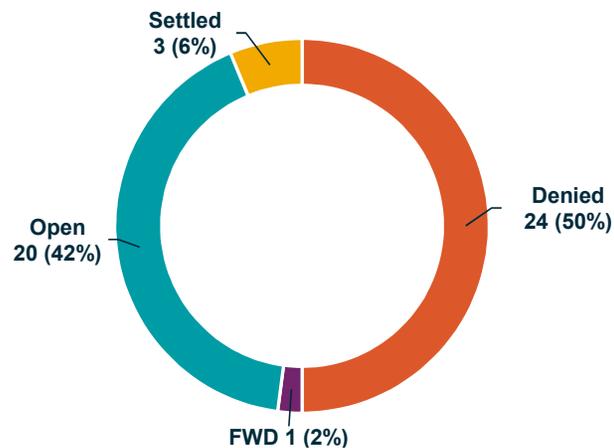
Graph from <https://cafc.uscourts.gov/home/the-court/reports-statistics/> as of November 2021

PGR and IPR Institutions

Reached institution between 10/1/20 and 9/30/21

PGR

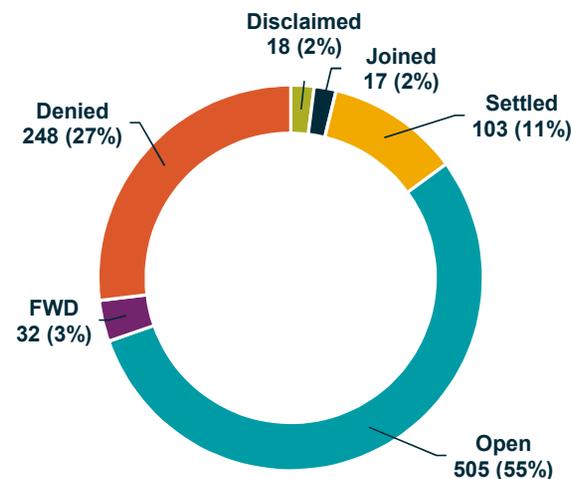
48 Reached Institution / 24 Instituted (50%)



- Denied Institution
- Open Post-Institution
- Final Written Decision
- Settled Post-Institution

IPR

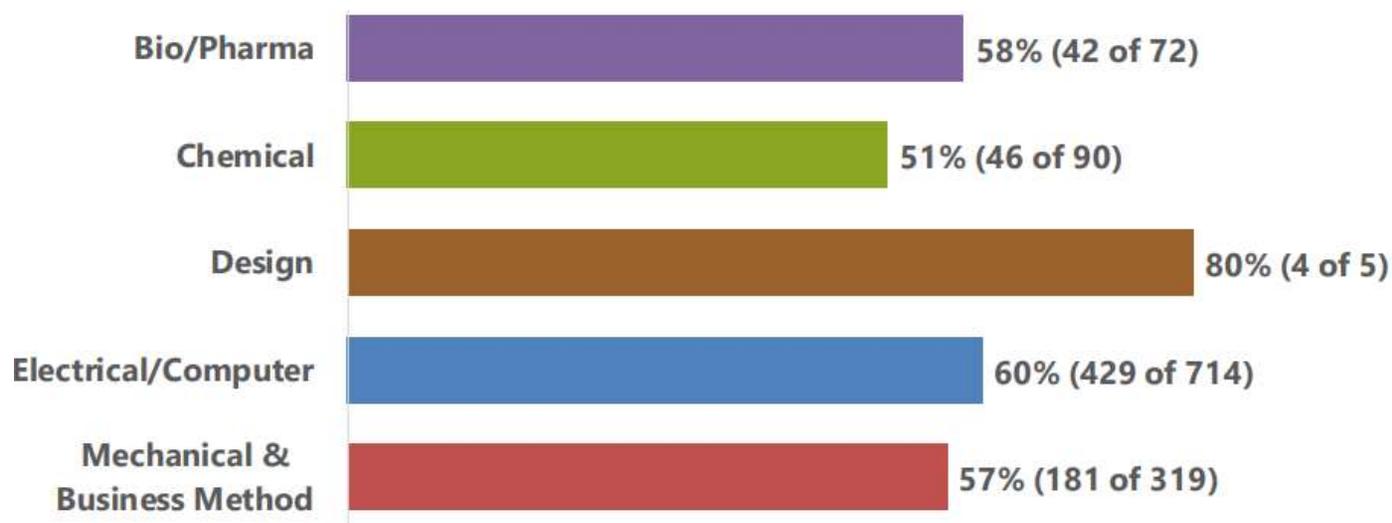
924 Reached Institution / 676 Instituted (73%)



- Patent Owner Disclaimed
- Settled
- Final Written Decision
- Joined/Procedurally Dismissed
- Open Post-Institution
- Denied Institution

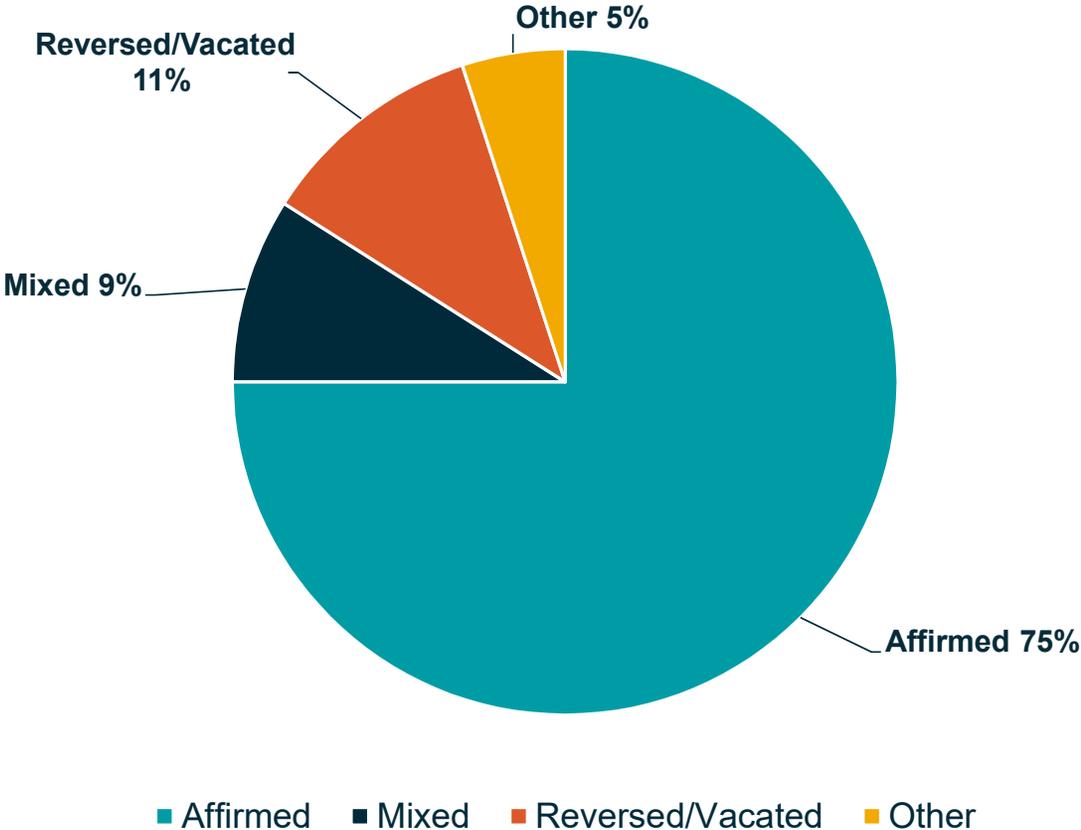
Institution Rates by Technology

FY21: 10/1/20 – 9/30/21



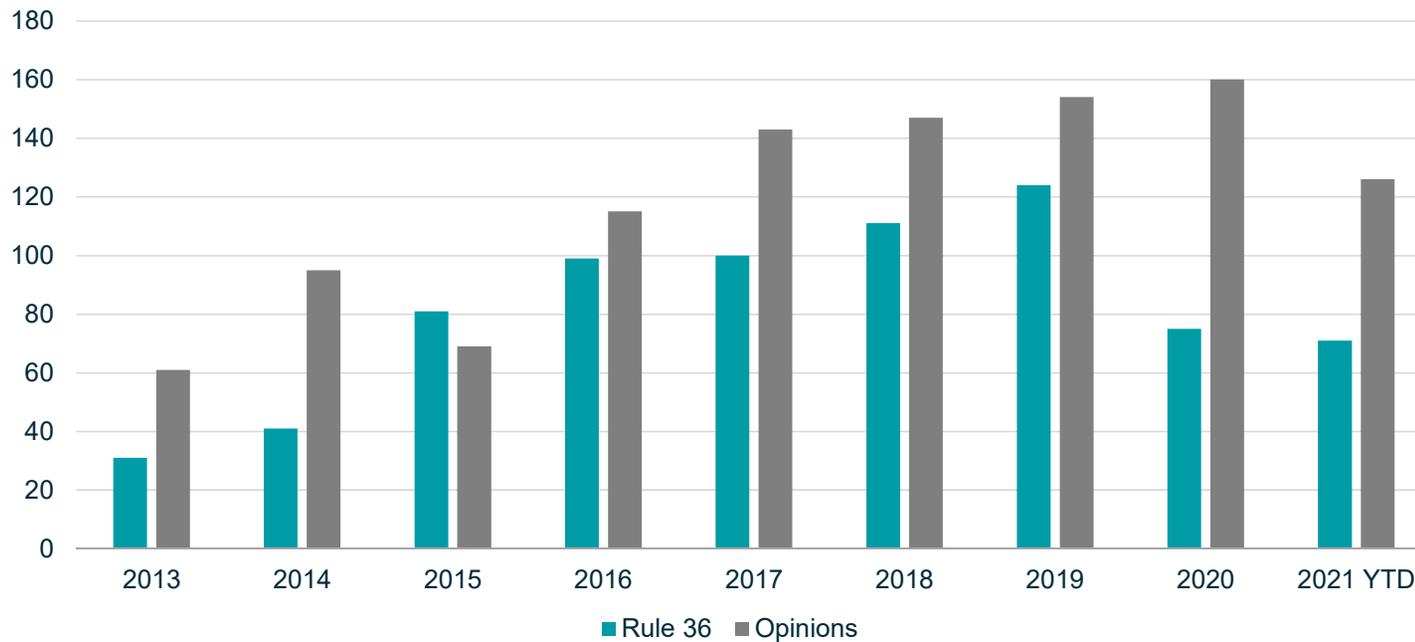
Institution rate for each technology is calculated by dividing petitions instituted by decisions on institution (i.e., petitions instituted plus petitions denied). The outcomes of decisions on institution responsive to requests for rehearing are excluded.

Dispositions of CAFC Post-Grant Appeals



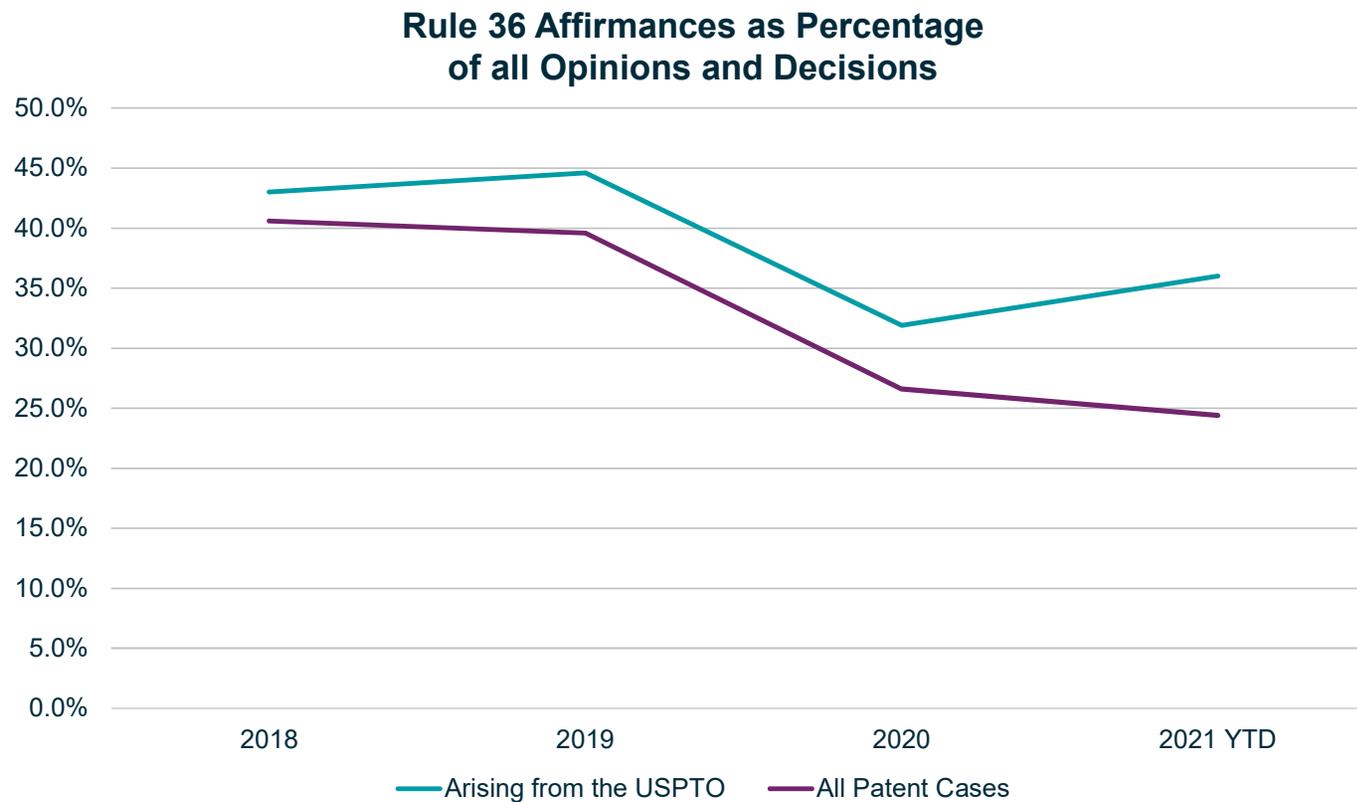
Federal Circuit Opinions and Rule 36 Affirmances

Opinions and Rule 36 Summary Affirmances in Appeals Arising from the USPTO



Source: cafc.uscourts.gov, data taken 11/9/2021.

Federal Circuit Opinions and Rule 36 Affirmances



Source: USPTO stats, cafc.uscourts.gov, data taken 11/9/2021.
Patent cases, Legal Metric, data current through October 2021.



Best Practices

Before the Federal Circuit

- **Issue Selection**
- **Standard of Review**
- **Issue Framing**
- **Clarity**

Before the Board – Prepare for Appeal

- **An appeal will likely happen – they are cost-efficient**
- **Think about issues that might be appealed**
 - Highlight appealable issues in briefing before the Board preemptively
 - Consider case-specific strategy as to whether you want to propose explicit claim constructions
 - Creates a legal issue to appeal, which may or may not be good
 - Look for opportunities to create “legal” issues
 - Procedural Issues
 - Anticipation / Obviousness
 - Identifying Prior Art
 - Think about the decision you want the Board to write, and how you want to win
- **Have your expert provide some technology background you can cite on appeal**



Case Law Developments: Reviewability and Discretionary Denials

Institution Reviewability

Mylan Laboratories Ltd. v. Janssen Pharmaceutica, N.V.,
989 F.3d 1375 (Fed. Cir. Mar. 12, 2021)

- **Mandamus jurisdiction over IPR denial of institution**
 - [Newman, MOORE, Stoll]
 - Fed Cir lacks subject-matter jurisdiction over appeal from IPR denial of institution
 - **See § 314(d) and *St. Jude Medical*, 749 F.3d 1373 (Fed. Cir. 2014)**
 - ***Cuozzo* is not contradictory**
 - But the All Writs Act permits mandamus review of decisions not to institute

MYLAN LABORATORIES
LTD., Appellant
v.
JANSSEN PHARMACEUTICA,
N.V., 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

2021-1071

[3] While there is no avenue for direct appeal of decisions denying institution, we conclude that **judicial review is available in extraordinary circumstances by petition for mandamus**. Mandamus is not a remedy unique to our Court. The All Writs Act provides that “the Supreme Court and all courts established by an Act of Congress may issue all writs necessary or appropriate in aid of their respective jurisdictions” 28 U.S.C. § 1651(a). We have long

of Appeals,
uit.
021

Institution Reviewability

- ***Mylan Laboratories*, 989 F.3d 1375—**
 - Very high standard of proof for writ mandamus:
 - **Clear, indisputable right to relief**
 - **No other adequate method of obtaining relief**
 - **Writ is otherwise appropriate under the circumstances**
 - This was not such a case:
 - **PTAB’s refusal to institute was premised on the evaluation of efficiency**
 - Could a denial of institution ever meet this standard?
 - How receptive will the Fed Cir be to mandamus petitions?

[9, 10] When a mandamus petition challenges a decision denying institution, the mandamus standard will be especially difficult to satisfy. The scope of our review of a mandamus petition over a denial of institution is very narrow. As the Supreme

[11] While we need not explore the outer contours of possibility, it is difficult to imagine a mandamus petition that challenges a denial of institution and identifies a clear and indisputable right to relief. Certainly, this is not such a petition. Mylan

Institution Reviewability

ESIP Series 2, LLC v. Puzhen Life USA, LLC, 958 F.3d 1378 (Fed. Cir. May 19, 2020)

- **No judicial review of IPR inst. denial assessing real-party-in-interest**
 - [Lourie, REYNA, Hughes]
 - Does § 314’s bar on judicial review of institution decisions still hold where the Board *does* institute, even though patent owner challenges on real-party-in-interest?
 - **Yes it does. ESIP’s challenge raised “an ordinary dispute about the application of an institution-related statute” so §314(d) precluded appellate review**

In view of *Cuozzo* and *Click-to-Call*, we find no principled reason why preclusion of judicial review under § 314(d) would not extend to a Board decision concerning the “real parties in interest” requirement of § 312(a)(2). ESIP’s contention that the Board failed to comply with § 312(a)(2) is “a contention that the agency should have refused to institute an inter partes review.” See *Click-To-Call*, 140 S. Ct. at 1373–74. Indeed, ESIP expressly argues that the agency should have refused to institute inter partes review because of Puzhen’s failure to identify all “real parties in interest.” *E.g.*, Appellant Br. at 5 (“[I]t was improper for the Board to ‘consider’ the IPR Petition and institute an IPR.”). Accordingly, we hold that ESIP’s challenge to the Board’s “real parties in interest” determination “raises ‘an ordinary dispute about the application of an institution-related statute,’ and that § 314(d) precludes our review of that determination. *Click-To-Call*, 140 S. Ct. at 1373–74 (quoting *Cuozzo*, 136 S. Ct. at 2141–42).

Takeaways

- **What's the impact of discretionary denials in the PTAB?**
 - Discretionary denials under *General Plastics* and *Fintiv* are on the rise
 - That will likely continue after *Mylan*, given that they are practically unreviewable
 - Puts pressure on petitioners to think carefully about serial petitions and timing with district court litigation, and whether a *Fintiv* stipulation makes sense
- **Silver lining: no estoppel**



Case Law Developments: *Arthrex*

U.S. v. Arthrex – the Decision

U.S. v. Arthrex

- Agreed with Federal Circuit that APJs were not legit
- Disagreed on the fix:
 - Federal Circuit: Make APJs fireable-at-will
 - Supreme Court: Make APJ's work product reviewable

(Slip Opinion)

OCTOBER TERM, 2020

1

Syllabus

NOTE: Where it is feasible, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States v. Detroit Timber & Lumber Co.*, 200 U. S. 321, 337.

SUPREME COURT OF THE UNITED STATES

Syllabus

UNITED STATES *v.* ARTHREX, INC. ET AL.

CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR
THE FEDERAL CIRCUIT

No. 19–1434. Argued March 1, 2021—Decided June 21, 2021*

The question in these cases is whether the authority of Administrative Patent Judges (APJs) to issue decisions on behalf of the Executive Branch is consistent with the Appointments Clause of the Constitution. APJs conduct adversarial proceedings for challenging the validity of an existing patent before the Patent Trial and Appeal Board (PTAB). During such proceedings, the PTAB sits in panels of at least three of its members, who are predominantly APJs. 35 U. S. C. §§6(a), (c). The Secretary of Commerce appoints all members of the PTAB—including 200-plus APJs—except for the Director, who is nominated by the President and confirmed by the Senate. §§3(b)(1), (b)(2)(A), 6(a). After *Smith & Nephew, Inc.*, and *ArthroCare Corp.* (collectively, *Smith & Nephew*) petitioned for inter partes review of a patent secured by *Arthrex, Inc.*, three APJs concluded that the patent was invalid. On appeal to the Federal Circuit, *Arthrex* claimed that the structure of the PTAB violated the Appointments Clause, which specifies how the President may appoint officers to assist in carrying out his responsibilities. Art. II, §2, cl. 2. *Arthrex* argued that the APJs were principal officers who must be appointed by the President with the advice and consent of the Senate, and that their appointment by the Secretary of Commerce was therefore unconstitutional. The Federal Circuit held that the APJs were principal officers whose appointments were unconstitutional because neither the Secretary nor Director can review their decisions or remove them at will. To remedy this constitutional violation, the Federal Circuit invalidated the APJs' tenure protections.

*Together with No. 19–1452, *Smith & Nephew, Inc., et al. v. Arthrex, Inc., et al.* and No. 19–1458, *Arthrex, Inc. v. Smith & Nephew, Inc., et al.*, also on certiorari to the same court.

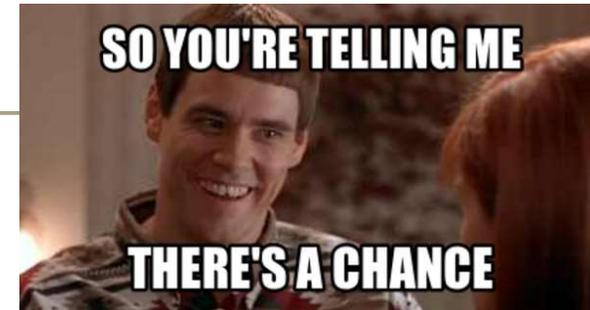
U.S. v. Arthrex – the Aftermath

Interim Director picks low-cost approach

- Can do rehearing on request or *sua sponte*.
- Doesn't need to do anything.
- Ascend Performance Materials Operations LLC v. Samsung SDI Co. Ltd., IPR2020-00349 (Nov. 1, 2021) – Partially granted rehearing request by ordering PTAB to consider claims it had not addressed.

Piano Factory Group v. Schiedmayer Celesta, 11 F.4th 1363 (Fed. Cir. 2021)

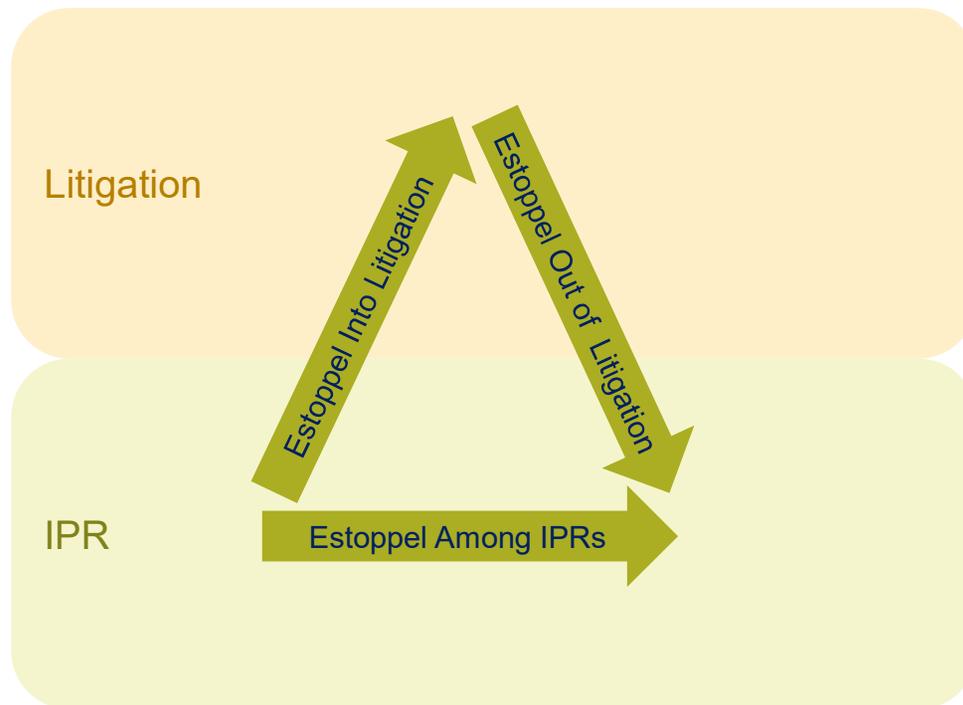
- TM cancellation proceeding
 - Held: The Director had the ability, both before and after clarification in the Trademark Modernization Act of 2020, to review TTAB decisions
 - It is similar to the broad authority the Director has over patents, but there is no carve-out for TM review like there was for IPR review (see 35 USC 6(c) and 318(b)).
- **Copyright small claims court vulnerable?**
 - **Is Hirshfeld legit?** (*Vilox Techs. v. Unified Patents*, No. 19-2057 (Fed. Cir.))





Case Law Developments: Estoppels

Three Directions of Estoppel

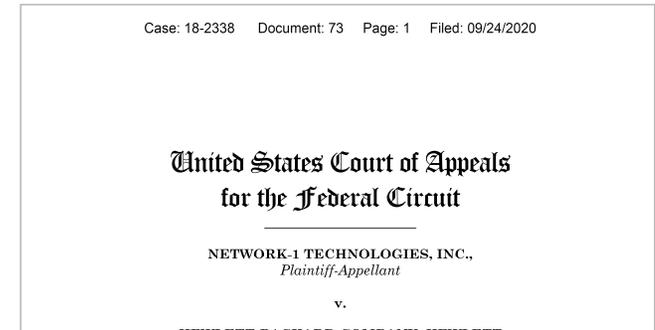


Joinder & Estoppel – Into Litigation

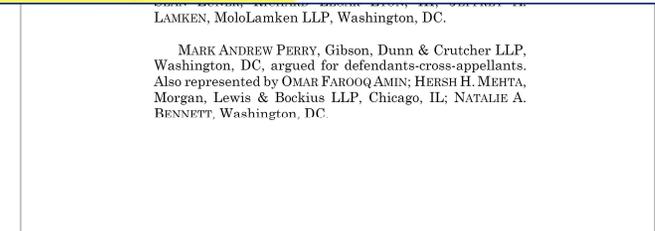
Network-1 Techs. v. Hewlett-Packard Co., [981 F.3d 1015](#)

(Fed. Cir. 2020)

- **Defendant HP joined pending IPR**
 - Avaya had filed an IPR
 - Per § 315(c), HP joined Avaya’s IPR “as a party,” though otherwise time-barred, but was not permitted to bring new grounds
- **District court granted JMOL of validity, finding HP was estopped from raising non-instituted grounds**
- **The Federal Circuit vacated decision**
 - Defendant was not estopped from raising invalidity grounds in district court that are different from those in the IPR the defendant had joined
 - Based on *Facebook, Inc. v. Windy City Innovations, LLC*, HP couldn’t bring in new grounds that were not already instituted because HP joined after institution
 - So the Court agreed with HP that none of the validity grounds HP raised at trial “reasonably could have been raised” through joinder and found no estoppel applied



raised” during the IPR. Because a joining party cannot bring with it grounds other than those already instituted, that party is not statutorily estopped from raising other invalidity grounds.



Joinder & Estoppel – Among IPRs

Uniloc 2017 LLC v. Facebook Inc., [989 F.3d 1018](#) (Fed. Cir. 2021)

- **Several IPR filed in series**
 - Apple had filed an IPR on the challenged patent, Facebook filed its own two IPRs on the same claims and one extra claim
 - Facebook filed a third IPR identical to Apple’s and joined Apple’s IPR
 - LG filed IPRs that copied and joined Facebook’s original pair
- **The Federal Circuit agreed with the Board:**
 - Facebook **was estopped** on all claims common to the Apple petition once the Apple FWD issued
 - Facebook **was not estopped** for the one extra claim because that was not a claim Facebook could have brought in the Apple IPR (since it joined post-institution); and
 - LG **was not estopped** on any claims
- **“Privy to a petitioner” does not mean LG should have been estopped to the level that Facebook was estopped**
 - Uniloc failed to show LG exercised any control over Facebook’s IPRs

Case: 19-1688 Document: 72 Page: 1 Filed: 03/09/2021

United States Court of Appeals
for the Federal Circuit

UNILOC 2017 LLC,
Appellant

v.

FACEBOOK INC., WHATSAPP, INC.,
Appellees

2019-1688

Appeal from the United States Patent and Trademark
Office, Patent Trial and Appeal Board in Nos. IPR2017-
01427, IPR2017-02087.

UNILOC 2017 LLC,
Appellant

v.

FACEBOOK INC., WHATSAPP, INC.,
Appellees

2019-1689

Takeaways

- **Should we join instead of petition?**
 - *Network 1* and *Uniloc* provide estoppel-based benefits to those who join petitions post-institution
 - Good solution for time-barred petitioners
 - BUT can't exercise control over petition
 - Consider impact of claim-by-claim approach
 - **Can you join an instituted IPR and also challenge non-petitioned claims?**



Case Law Developments: Obviousness

Role of Reasonable Expectation of Success

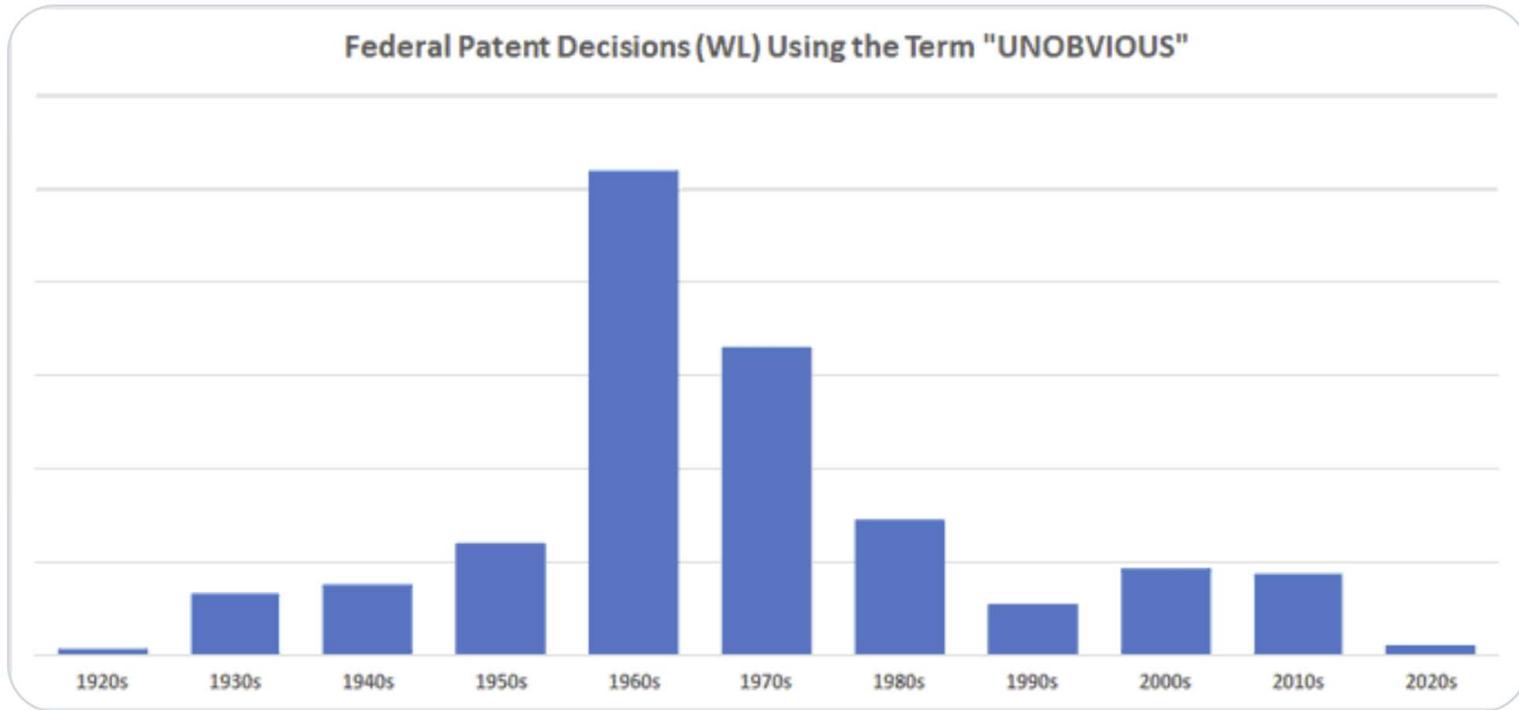
- Often viewed as two requirements (a) motivation/reason to combine, and (b) reasonable expectation of success.
- *University of Strathclyde v. Clear-Vu Lighting LLC*, __ F.4th __ (Fed. Cir. Nov. 4, 2021).
 - Method of photoinactivating antibiotic-resistant bacteria w/o a photosensitizing agent.
 - Inventors experimented to find wavelength range that worked well and required little energy
 - Ref A got inactivation from the claimed wavelengths but used a photosensitizing agent, and Ref B didn't use such an agent but also didn't get inactivation.
 - PTAB found obviousness by saying the relevant features were present in the combination of the references.
 - Federal Circuit reversed: (a) there really was no evidence for the PTAB's finding that any bacteria were inactivated in the absence of a photosensitizing agent, and (b) others had failed, which tended to show no reasonable expectation of success.



Dennis Crouch @patentlyo · 12h

Unknown

People used to say "unobvious" when talking about patents.



5

4

10



Enablement by the Prior Art

Raytheon Technologies Corp. v. General Electric Co., 993 F.3d 1374 (Fed. Cir. Apr. 16, 2021)

- Reversed a Board finding of obviousness.
- Invention: jet engine having a certain power-to-weight ratio
- Board: a skilled artisan could have interpreted the prior art to determine the ratio disclosed there
- Federal Circuit: the Board should have asked whether a skilled artisan could build the jet engine using technologies available at the time.
- The prior art was not enabling, so the claims would not have been obvious.

Board Shifts Between 102 and 103

M & K Holdings, Inc. v. Samsung Electronics Co.,
985 F.3d 1376 (Fed. Cir. 2021)

- Petitioner had argued that a claim was obvious
- Board said it was finding obviousness, but its analysis was anticipation
- Federal Circuit: Patentee was denied due process, and anticipation was “not inherent” in the Petition’s obviousness arguments

United States Court of Appeals
for the Federal Circuit

M & K HOLDINGS, INC.,
Appellant

v.

SAMSUNG ELECTRONICS CO., LTD.,
Appellee

2020-1160

Appeal from the United States Patent and Trademark
Office, Patent Trial and Appeal Board in No. IPR2018-
00696.

Decided: February 1, 2021

JOHN BAUER, Nelson Mullins Riley & Scarborough,
LLP, New York, NY, argued for appellant. Also repre-
sented by KONGSIK KIM, Boston, MA.

IGOR VICTOR TIMOFEYEV, Paul Hastings LLP, Washing-
ton, DC, argued for appellee. Also represented by QUADEER
AHMED, STEPHEN BLAKE KINNAIRD, NAVEEN MODI, JOSEPH
PALYS.

Before MOORE, BRYSON, and CHEN, *Circuit Judges*.

Motivation to Combine, not Possible to Combine

Adidas AG v. Nike, Inc., 963 F.3d 1355 (Fed. Cir. 2020)

- PTAB found that Petitioner had not shown obviousness.
- Federal Circuit rejected Petitioner’s argument that the teachings of the references could easily be combined, because the standard is whether there was a motivation so they would be combined.
- Also, there were fundamental differences between the reference that Petitioner did not address.

United States Court of Appeals
for the Federal Circuit

ADIDAS AG,
Appellant

v.

NIKE, INC.,
Appellee

2019-1787, 2019-1788

Appeals from the United States Patent and Trademark
Office, Patent Trial and Appeal Board in Nos. IPR2016-
00921, IPR2016-00922.

Decided: June 25, 2020

MITCHELL G. STOCKWELL, Kilpatrick Townsend &
Stockton LLP, Atlanta, GA, for appellant. Also repre-
sented by VAIBHAV P. KADABA, MICHAEL T. MORLOCK,
TIFFANY L. WILLIAMS.

CHRISTOPHER J. RENK, Banner & Witcoff, Ltd., Chicago,
IL, for appellee. Also represented by KEVIN DAM, MICHAEL
JOSEPH HARRIS.

Before MOORE, TARANTO, and CHEN, *Circuit Judges*.

Other Obviousness

FanDuel, Inc. v. Interactive Games LLC, 966 F.3d 1334 (Fed. Cir. 2020)

- Board not required to accept Petitioner's unrebutted expert testimony.

Fox Factory, Inc. v. SRAM, LLC, 944 F.3d 1366 (Fed. Cir. 2019)

- For nexus, the claims must be essentially coextensive with the successful product, and not simply cover it.

Henny Penny Corp. v. Frymaster LLC, 938 F.3d 1324 (Fed. Cir. 2019)

- Industry praise can be relevant if it is directed to the invention generally, and it need not be directed at the point of novelty.

Liqwd, Inc. v. L'Oreal USA, Inc., 941 F.3d 1133 (Fed. Cir. 2019)

- Copying is relevant to nonobviousness as long as it copies the invention, even if the copying was not a copy of a product made by patentee

TQ Delta, LLC v. Cisco Sys., Inc., 942 F.3d 1352 (Fed. Cir. 2019)

- Obviousness finding that relied on conclusory expert testimony was not supported by substantial evidence.

Other Outstanding Obviousness Issues

- “Extra” prior art that shows nonobviousness
- Teachings that dissuade but perhaps do not “teach away” (e.g., *Arctic Cat*)
- Operation of “physical combinability”
- Making an obviousness finding before considering the objective indicia
- Filling in teachings that are in no prior art
- Overly complete disclosures
- Fact, law, and the role of JMOL in obviousness (e.g., *Apple*, *Arctic Cat*, etc. Cf. *GSK v. Teva*)



John Dragseth
Principal
dragseth@fr.com



Nitika Gupta Fiorella
Principal
fiorella@fr.com

Thank You!

Please send your NY CLE forms to mcleteam@fr.com

Any questions about the webinar, contact Makayla Mainini at mainini@fr.com

A replay of the webinar will be available for viewing at <http://www.fr.com/webinars>

© Copyright 2021 Fish & Richardson P.C. The opinions expressed are those of the authors and do not necessarily reflect the views of Fish & Richardson P.C., any other of its lawyers, its clients, or any of its or their respective affiliates. This presentation is for general information purposes and is not intended to be and should not be taken as legal advice and does not establish an attorney-client relationship.

These materials may be considered advertising for legal services under the laws and rules of professional conduct of the jurisdictions in which we practice.. Legal advice of any nature should be sought from legal counsel. Unsolicited e-mails and information sent to Fish & Richardson P.C. will not be considered confidential and do not create an attorney-client relationship with Fish & Richardson P.C. or any of our attorneys. Furthermore, these communications and materials may be disclosed to others and may not receive a response. If you are not already a client of Fish & Richardson P.C., do not include any confidential information in this message. For more information about Fish & Richardson P.C. and our practices, please visit www.fr.com.

FISH.
FISH & RICHARDSON