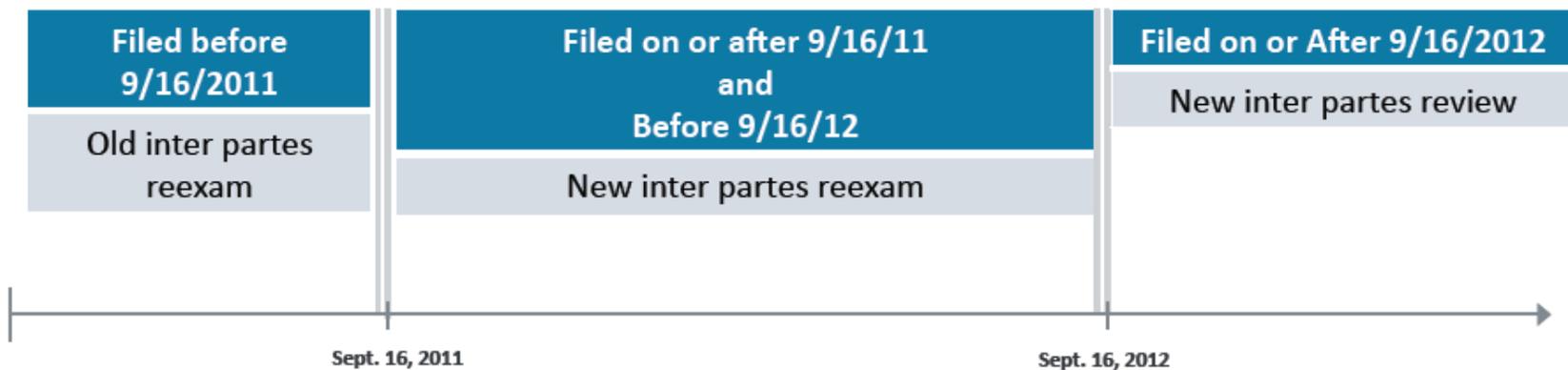


America Invents Act (AIA) Post-Grant Proceedings

Various Post-Grant Proceedings under AIA

- *Ex parte* reexamination
 - **Modified** by AIA Sec. 6(h)(2)
 - Continue to be available under AIA
- *Inter partes* reexamination
 - **Modified** by AIA Sec. 6(c)
 - Phasing out
- *Inter partes* review
 - **New** under AIA Sec. 6(c)
 - Will replace inter partes reexams, but there will be overlap for years
- Post-grant review
 - **New** under AIA Sec. 6(d)
- Supplemental examination
 - **New** under AIA Sec. 12

Inter Partes Reexamination (Transition)



Inter Partes Reexamination (Transition)

- Upon enactment, there is a transition Period during which *inter partes* reexaminations requests will be reviewed under the new standard of a “reasonable likelihood of success...”
- For requests filed **prior to 9/16/11**:
 - Substantial new question of patentability standard applies in determining whether request is granted
- For requests filed **on or after 9/16/11**, but **before 9/16/12**:
 - “Reasonable likelihood” standard applies in determining whether request is granted
- For requests filed **on or after 9/16/12**:
 - Only petitions for *inter partes* review accepted, and reasonable likelihood standard will apply

Inter Partes Review

- Purpose
 - Replaces “*inter partes* reexamination”
 - Intended to be a relatively quick proceeding for challenging a patent’s validity in the Patent Office
- Effective September 16, 2012 (1 year after AIA date of enactment)
- Scope
 - Petitioner may institute review on grounds of prior art that could be raised under sections 102 or 103 on the basis of patents or printed publications
- Filing Deadline
 - Petition shall be filed after the later of either:
 - The date that is 9 months after the grant of a patent or issuance of a reissue of a patent; or
 - If a post-grant review is instituted, the date of termination of such post-grant review

Inter Partes Review

- Petition must be accompanied by:
 - Fee
 - Identification of all real parties in interest
 - Grounds on which each claim is challenged, with supporting evidence, including any supporting affidavits or declarations
- Patent owner may file a preliminary response to the petition to persuade the Director not to grant the petition for review
 - Within a time period to be set by the PTO

Inter Partes Review

- New elevated threshold to initiate *inter partes* review
- Must show a “reasonable likelihood that the requester will prevail with respect to at least 1 of the claims challenged in the request”
 - Higher than previous “substantial new question of patentability” (SNQ) threshold in *inter partes* reexamination
- Petitioners must present information showing that their challenge has a “reasonable likelihood of success”
 - H.R. Rep. No. 112-98 (Part 1), at 47.
- Satisfaction of this threshold is assessed based on the information presented both in the petition for the proceeding and in the patent owner’s preliminary response to the petition

Inter Partes Review

- *Inter partes* review is conducted by the Patent Trial and Appeal Board (PTAB)
 - Procedures are conducted by administrative patent judges
 - In contrast to the Central Reexam Unit, which used patent examiners for *inter partes* reexaminations
 - PTAB replaces Board of Patent Appeals and Interferences (BPAI)
- Preponderance of the evidence standard
 - Petitioner has the burden of proving a proposition of unpatentability by a preponderance of the evidence to win *inter partes* review

Inter Partes Review

- Patent owners are permitted to amend claim without enlarging the claim scope or introducing new matter
- Limited discovery is permitted
 - Opportunity to cross-examine any affiant or declarant relied upon by either party
- Oral hearings available to either party
- Protective orders are provided for governing the exchange and submission of confidential information
- Any petition or document filed with the intent that it be sealed shall, if accompanied by motion to seal, be treated as sealed pending the outcome of the ruling on the motion

Inter Partes Review

- Final written determination must be issued by PTAB no later than 1 year from institution of the review
 - Extendable by an additional 6 months upon showing of good cause
- May be terminated upon joint request of petitioner and patent owner, unless Office has decided the merits before such request
 - Settlement agreement
 - No estoppel attaches to either party
- A party may appeal final written decision to the Federal Circuit

Inter Partes Review

- An *inter partes* review will not be instituted if petitioner has already filed a civil action (e.g., declaratory judgment) challenging the patent
 - Counterclaim does not count
- If petitioner files a civil action after petitioning for *inter partes* review, the civil action will be stayed until one of the following events:
 - Patent owner moves to lift the stay
 - Patentee files infringement action or counterclaim
 - Petitioner moves to dismiss the action
- May not file an *inter partes* review if petition filed more than 1 year after a complaint for infringement was filed

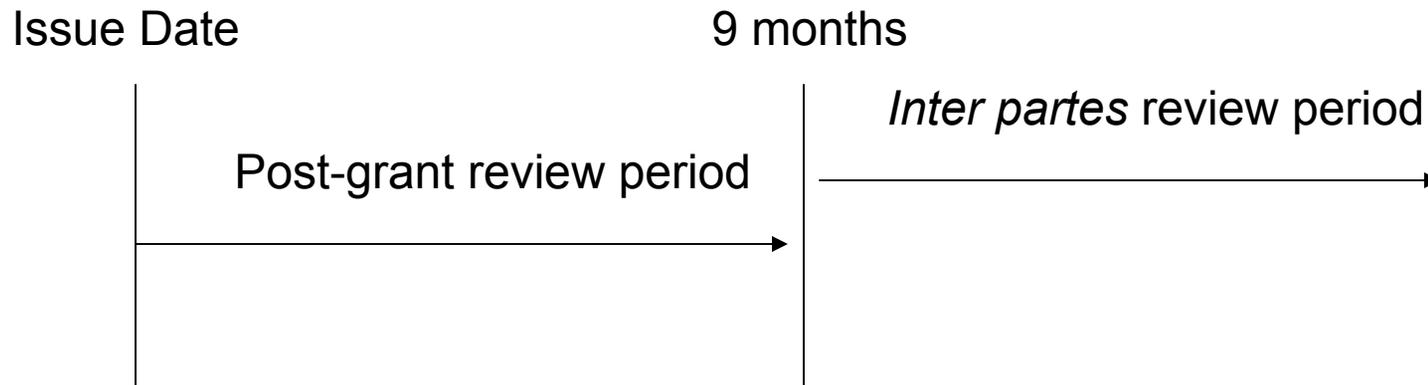
Inter Partes Review

- New estoppel
- “Raised or reasonably could have raised” estoppel applies to:
 - Other USPTO proceedings
 - May not “request or maintain” the proceeding on that basis
 - Civil action and ITC proceedings
 - May not “assert” that the claim is invalid on that basis
 - Estoppel attaches only upon final written decision

Inter Partes Review

- Intervening rights
 - Any proposed amended or new claim determined to be patentable and incorporated into a patent following an *inter partes* review may give rise to intervening rights
 - Intervening rights may apply to any person who made, purchased, or used within the United States, or imported into the United States anything patented by such proposed amended or new claim, or who made substantial preparation therefore, before issuance of a certificate for *inter partes* review

Timeline



Post-grant review – available only during period immediately after patent issues
Inter partes review – available after post-grant review throughout life of patent

Post-Grant Review

- Third party may request a post-grant review proceeding to invalidate a patent on grounds for conditions of patentability
 - Novelty
 - Obviousness
 - Invalidity based on failure to comply with any requirement of section 112, first paragraph (written description and enablement)
- Post-grant review is only available in the **9-month period** after a patent issues (or issuance of a reissued patent)

Post-Grant Review

- Petition includes:
 - Fee
 - Identification of the real parties in interest
 - Basis for cancellation for one or more claims challenged
 - Including evidence supporting such basis

Post-Grant Review

- Petition must
 - Demonstrate that it is “more likely than not” that at least one claim of the challenged patent is unpatentable

OR

- Raise a novel or unsettled legal question that is important to other patents or patent applications

Post-Grant Review

- Patent owner has opportunity to file a preliminary response setting forth reasons why no post-grant review should be instituted
 - Time period to be set by PTO
- Preliminary response may:
 - Provide reasons why the proceeding should not be instituted
 - Cancel challenged claims
 - Propose a reasonable number of substitute claims that do not enlarge the claim scope or introduce new matter

Post-Grant Review

- Director shall make a determination on whether to institute post-grant review within 3 months after the later of:
 - Patentee files written response
 - Time for filing response has passed
- Final determination shall be made no later than **one year** after the date on which Director notices the institution of the proceeding
 - May be extended by no more than six additional months for good cause

Post-Grant Review

- Post-grant review will not be instituted if petitioner has already filed a civil action (*e.g.*, a DJ) challenging the patent
 - Counterclaim does not count
- If petitioner files action after petitioning for post-grant review, the action will be stayed until one of the following events:
 - Patent owner moves to lift the stay
 - Patentee files infringement action or counterclaim
 - Petitioner moves to dismiss the action

Post-Grant Review

- Preliminary Injunctions
 - If civil action is filed within 3 months after patent issue date:
 - Court may not stay consideration of patentee's motion for preliminary injunction on basis that post-grant review petition has been filed at USPTO
- No claim amendments as of right
 - Amendments to claims may be made pursuant to motion filed by patent owner
 - May propose “reasonable number” of “substitute claims”
 - Additional motions may be made:
 - Upon joint request by patent owner and petitioner; or
 - Upon the request of the patent owner for good cause shown
- Affidavits and declarations may be used to introduce factual evidence & expert opinions
- Intervening Rights
 - Adopts intervening rights effects of Section 252 (for reissue)

Post-Grant Review

- Multiple Petitions:
 - Consolidate into a single post-grant review proceeding
 - Refuse to initiate a second post-grant review proceeding, if the “same or substantially the same” arguments are made

Post-Grant Review

- Post-grant review proceedings may be terminated:
 - Upon joint request of the petitioner and patent owner; and
 - If no decision on the merits has been made
- Either party has the right to appeal PTAB's decision to the Federal Circuit

Supplemental Examination

- Originally intended as a mechanism for patentees to potentially eliminate inequitable conduct allegations
 - In light of *Therasense*, there may only be limited applicability of the new procedure for its originally intended purpose
- A patent owner may request that the PTO consider, reconsider, or correct information believed to be relevant to the patent
- PTO must promptly decide whether the information raises a substantial new question of patentability
- If substantial new question of patentability is raised, PTO will place the patent into *ex parte* reexamination

Supplemental Examination

- PTO shall address each SNQ of patentability identified during the supplemental examination
 - Notwithstanding limitations in Chapter 30 relating to patents and printed publications
 - Unlike normal *ex parte* reexamination, there is no limit on issues that can be raised in supplemental examination
 - Provides a way to initiate an *ex parte* reexamination for issues relating to ***non-publication prior art*** (e.g., “public use,” “on sale,” Section 112 issues, etc.)
 - Any information believed to be relevant to the patent that goes beyond the limits of a printed publication or patent under normal *ex parte* reexamination

Supplemental Examination

- Supplemental examination provisions including changes to *ex parte* reexamination are effective September 16, 2012
- Retroactive application to any patent issued before, on, or after the effective date

Supplemental Examination

- If such disclosure of information is made, this information cannot be a basis for inequitable conduct defense in litigation
- Mere availability of supplemental examination cannot be a factor for a finding of inequitable conduct
 - In case patentee does not avail itself of this procedure

Ex parte reexamination

- Substantial new question of patentability remains the standard in *ex parte* reexamination
- Previously, a patentee in *ex parte* reexamination had a right to a trial *de novo* in District Court, after which either patentee or Director could appeal to the Federal Circuit
- Under new law, right to a trial *de novo* is abolished
- This is retroactive immediately upon enactment to apply to all cases pending on the date of enactment

THE END