

# **PTAB Developments**

## **Amendments to the PTAB Rules of Practice for Trials**

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# Topics

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  - Claim Construction for Expiring Patents
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  - Rule 11-Type Certification
  - Patent Owner Preliminary Response and Testimonial Evidence
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# Overview of PTAB Rule Changes

- PTO Elimination of 9 Month IPR “Dead Zone” for First-To-Invent Patent or Reissue Patent published March 25, 2013.
- PTAB “Quick Fixes” published May 19, 2015.
  - Miscellaneous fixes to font, designations of backup counsel, oppositions and replies, objections, rehearing requests, etc.
- Final Rule published April 1, 2016.
  - Proposed Second Rule Package published August 20, 2015.
  - Correction to April 1, 2016 Final Rule of § 42.24 published April 27, 2016.

# April 2016 Rule Changes

- This rule is effective May 2, 2016 and applies to all AIA petitions filed on or after the effective date and to any ongoing AIA preliminary proceeding or trial before the Office.
  - Fed. Reg. Vol. 81, No. 63, 18750, April 1, 2016.

# April 2016 Rules: Claim Construction

- Request a district court-type (Phillips) claim construction for proceedings where:
  - A Party
  - Certifies that the involved patent will expire within 18 months of the Notice of Filing Date Accorded to Petition
  - In a request with the Party's certification in the form of a motion under §42.20
  - Within 30 days from the filing of the Petition.
- Same for IPR, CBM, PGR.
  - (37 CFR § 42.100(b), 200(b), 300(b)).

# Oral Hearing

- Demonstrative exhibits must be served at least ~~five~~ seven business days before the oral argument and filed no later than the time of the oral argument.
- 37 C.F.R. § 42.70(b)

# Word Count – Petitions & Motions – 37 CFR § 42.24(a)

- IPR/Der Petitions: 14,000 words.
- PGR/CBM Petitions: 18,700 words.
  
- Motions are still 15 pages (except for Motions to Amend which are 25 pages).
  
- The word counts or page limits for petitions and motions
  - include any statements of material facts to be admitted or denied
  - but do not include
    - a table of contents,
    - a table of authorities,
    - mandatory notices (NEW),
    - a certificate of service or word count (NEW), and
    - appendix of exhibits or claim listing.

# Word Count – Responses and Oppositions– 37 CFR § 42.24(b)

- Preliminary Response and Response
  - same word count as petition.
- Oppositions
  - page limits same as those for corresponding motions.
- The word counts or page limits for petitions and motions do not include any listing of facts which are admitted, denied, or cannot be admitted or denied.



# Word Count - Replies— 37 CFR § 42.24(c)

- Reply to Patent Owner Response
  - 5,600 words.
- Replies to oppositions are still 5 pages (excluding replies to oppositions to motions to amend which are 12 pages).
- Limits include any statement of facts in support of the reply but do not include
  - a table of contents,
  - a table of authorities,
  - a listing of facts which are admitted, denied, or cannot be admitted or denied,
  - a certificate of service or word count, or
  - appendix of exhibits.

# Word Count Certification– 37 CFR § 42.24(d)

- Must include a certification stating number of words in a paper.
  - Party may rely on the word count of the word-processing system used to prepare paper.

## **CERTIFICATE OF COMPLIANCE WITH TYPE-VOLUME LIMITATION, TYPEFACE REQUIREMENTS, AND TYPE STYLE REQUIREMENTS**

1. This paper complies with the type-volume limitation of 37 C.F.R.

§42.24 (a). The brief contains **8,797** words, excluding the parts of the brief exempted by 37 C.F.R. §42.24 (a).

2. This brief complies with the typeface and style requirements of 37

C.F.R. 42.6(a). The brief has been prepared in a proportionally spaced typeface using Microsoft® Word 2010 in 14 point Times New Roman.

# Rule 11-Type Certification – 37 CFR § 42.11

- Duty of Candor Still Applies (§ 42.11(a)).
- Signature (§ 42.11(b))
  - Incorporates 37 CFR § 11.18(a).
    - Practitioner must sign all documents filed in the Office.
  - Board can expunge unsigned submissions.
- Representations to the Board (§ 42.11(c))
  - Incorporates 37 CFR § 11.18(b).
    - Presenting any paper to the Office is certifying all statements are believed to be true and knowing, false statements subject to penalties.
- Sanctions (§ 42.11(d))
  - Motion for sanctions only after service and no cure for 21 days.

# Patent Owner Preliminary Response with New Testimonial Evidence

- The patent owner may file a preliminary response to the petition. The response is limited to setting forth the reasons why no *inter partes* review should be instituted under 35 U.S.C. 314/[324] and can include supporting evidence.
  - 37 CFR § 42.107(a)/[§ 42.207(a)].
  - Example
    - CBM2016-00026, Preliminary Response of Patent Owner (Paper 26, May 2, 2016) and Supporting Declaration Ex. 2004.

# Patent Owners Have Risk for Submission of Testimonial Evidence

- A genuine issue of material fact created by such testimonial evidence will be viewed in the light most favorable to Petitioner solely for purposes of deciding whether to institute an *inter partes*/[post grant] review.
  - 37 CFR § 42.108(c)/.208(c).
- Petitioner may seek leave to file a reply to the preliminary response in accordance with §§42.23 and 42.24(c). Any such request must make a showing of good cause.
  - 37 CFR § 42.108(c)/.208(c).

# Comments Yield More Insight

- Comment 1
  - No limit on number of declarations that Patent Owner may submit.
  - No negative inference will be drawing if Patent Owner does not submit new testimonial evidence.
- Comment 2
  - Petitioner unlikely to cross-examine Patent Owner's Declarant before institution decision, but in limited discovery, including cross-exam, may be ordered before institution.

# Comments (cont'd)

- Comment 3
  - PTAB is taking the position that if Patent Owner relies on evidence from the pre-institution stage in the trial stage, cross-examination is available.
    - But if it is withdrawn at the trial stage the Board would have to decide whether cross-examination falls within the scope of additional discovery.
- Comment 4
  - The presumption for Petitioner on factual disputes is partially because denial of institution is a final, non-appealable decision. Lack of cross-examination of Patent Owner's declarant is contrary to AIA review principles.
- Comment 5
  - Reply is not guaranteed, and panel will decide if proper.

# Discussion

- Is the Patent Owner better served with preliminary response testimonial evidence?
- Given the presumption and the possibility of cross-examination and reply, when will preliminary response testimonial evidence be helpful?
- If Patent Owner puts forth all of its evidence in a Preliminary Response and trial is instituted, what with Patent Owner include in its full Response?



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