

Post-Grant for Practitioners

The logo consists of the letters 'FR' in a white, bold, sans-serif font, set against a teal square background that is tilted slightly to the right.

Part XI: Standing Before the Panel: Strategies for Post-Grant Oral Hearings



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Agenda

- I. Overview of Webinar Series
- II. Statistics
- III. Strategies for Post-Grant Oral Hearings

Overview

Where? ... see invitation

How often? ... monthly

When? ... 2nd

Wednesday

Topics? ...

Important decisions

Developments

Practice tips

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Post-Grant Practice



Post-Grant for Practitioners:

A monthly series of webinars focusing on developments in post-grant proceedings and related practice tips

Part I: Inter Partes Review and Covered Business Method Patents - the First Five Months.

Wednesday, February 13, 2013
1:00 p.m. ET

Fish & Richardson's post-grant practice chairs are back with a new monthly series of webinars devoted to topics of interest in the emerging area of post-grant proceedings. Join them as they share their experiences, insights, and practice tips.

This first webinar will discuss the first five months of inter partes review and covered business method patents.

Speakers:

[Dorothy Whelan](#), Principal and Post-Grant Practice Co-Chair, Twin Cities

[Karl Renner](#), Principal and Post-Grant Practice Co-Chair, Washington, DC

Fish & Richardson will apply for 1.0 hour of general CLE credit in most states. If you would like to receive CLE credit, RSVP with your state bar information.

RSVP

If you have questions, please contact Tracey Spadavecchia at spadavecchia@fr.com.

Overview (con't)

- Housekeeping
 - CLE
 - Questions
 - Materials
 - 2012 & 2013 Webinar series: <http://fishpostgrant.com/webinars/>

Statistics (IPR)

- IPR's Filed?
 - 697 filed through November
 - 89 filed in November
- Application of Threshold: Reasonable Likelihood of Success
 - IPR has been instituted in almost all petitions evaluated
 - In many cases where IPR was ordered, it was on only a subset of petitioned claims
 - BUT recently there have been a number of IPR petitions denied in full.

Statistics (CBM)

- **CBM's Filed?**
 - 93 filed through November
 - 18 filed in November
- **Application of Threshold: Reasonable Likelihood of Success**
 - CBM instituted in vast majority of CBM Petitions that were evaluated
 - In a number of cases, CBM was ordered on only a subset of petitioned grounds and/or claims

Statistics (Stays)

- Frequently updated listing of district court orders related to motions to stay is provided on our post-grant website, fishpostgrant.com/stays
- Webpage contains a tally of motions for stay granted and motions for stay denied, and provides the court orders
- As of November 18th, 64 motions for stay were granted and 24 motions for stay were denied

Strategies for Oral Arguments

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Notable Observations

- Format of the Proceedings
- Demonstratives
- Pre-trial Motions
- Fairness
- The Panel Itself

Format of the Proceedings

- Timing and Cadence
 - Usually 1 hour allocated to each of patentee/petitioner
 - No Amendments: Petitioner-Patent Owner-Petitions
 - Amendments: Patent Owner-Petitioner-Patent Owner
 - Rebuttal
 - Reserve time at outset
 - Patent owner rebuttal limited?
 - Not opportunity to finish remainder of presenting your case
 - Demonstratives are available
 - Ask for video

Demonstratives

- Service & filing requirements (rules/order)
- Content
- Citation
- Examples

What is the role of demonstratives?

- Persuasive role
 - Although institution decision means that panel is not newly-considering issues, each party has opportunity to persuade.
- Vetting role
 - Are earlier positions still reasonable?
 - Where did earlier record fall short?
- Minimize burden
 - Your opportunity to help emphasize 5-10 key aspects of the record

Sample Demonstrative Slide #1

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Feature 1: Eckert

Standard Error of the Estimate The standard error of the estimate (*SEE*) measures the amount of deviation between actual and predicted sales prices. It is computed as:

$$SEE = \left[\frac{\sum (S_j - \hat{S}_j)^2}{n - p - 1} \right]^{1/2}, \quad (28)$$

where n is the number of observations (sales) and p is the number of independent variables. Note that the *SEE* is the sum of squared errors (see equation 16) divided by its degrees of freedom ($n - p - 1$). This yields a measure of the average squared error or variance of the regression model. The square root is

Patent Owner's Response, page 44
(citing to Lipscomb Dec. (Ex. 2021), ¶ 122 (citing Ex. 1013, p. 373)).

- *SEE* is based on simple subtraction and measures average error of the entire regression model. See Lipscomb Dec. (Ex. 2021), ¶ 122
- Very little detail to describe confidence intervals and its not even clear they would be used in a CAMA. See *id.*

In addition, regression software often provides an option to calculate standard errors and corresponding confidence intervals for individual predicted values. These values are a function of the overall *SEE* and the individual characteristics of a parcel. In general, the more typical the characteristics, that is, the closer they are to the average, the lower the standard error and the confidence interval about the predicted value.

Patent Owner's Response, page 44
(citing to Lipscomb Dec. (Ex. 2021), ¶ 122 (citing Ex. 1013, p. 374)).

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Sample Demonstrative Slide #2

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Claim 15 - Dugan

15. A method in a computing system for refining an automatic valuation of a distinguished home based upon input from a user knowledgeable about the distinguished home, comprising:

obtaining user input adjusting at least one aspect of information about the distinguished home used in the automatic valuation of the distinguished home;
 automatically determining a refined valuation of the distinguished home that is based on the adjustment of the obtained user input; and
 presenting the refined valuation of the distinguished home.

- Dugan describes a “computer-implemented method for appraising real estate” that “can be relied upon by sellers, buyers, appraisers, bankers, investors and the like.” Dugan, col. 1, ll. 9-10 and col. 4, ll. 33-34 (emphasis added).
- Dugan describes that a seller or appraiser may interact with its system. *See* Paper 17, p. 16.

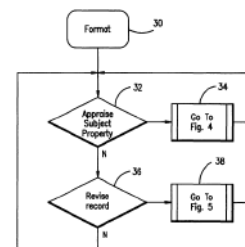


FIG. 3

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Sample Demonstrative Slide #3

Lisenker Anticipates Claims 1, 2, 4, and 5 of the '204 Patent

'204 patent, claim 1

1. A semiconductor device comprising an n-channel field effect transistor including a drain formed in a semiconductive layer, a source formed in said semiconductive layer, a channel extending between the drain and the source, a gate insulating layer over said channel, an interface between a semiconductive silicon layer and a gate insulating layer, and conductive contacts to said drain, source and on said gate insulating layer...

(e.g., n-channel field effect transistor)

Undisputed that Lisenker discloses an n-channel field effect transistor

Especially preferred devices of this invention are MOS transistors in which the gate oxide-silicon layer contains additional deuterium containing bonds.

IPR2013-00006, Paper No. 15, Institution Decision at 15 (citing Lisenker at 11:5-8).

"We credit the testimony of Dr. Reed that the Lisenker field effect transistor is of the n-channel type The University has not argued that the Lisenker MOSFET is not an n-channel field effect transistor."

IPR2013-00006, Paper No. 15, Institution Decision at 15.

Oral Hearing: Attributes of BPAI Hearing

- As in BPAI hearings, anticipate questions soliciting detailed information about the record, exploring technical and legal issues
- Yet, distinct of traditional BPAI hearings:
 - Adversarial posture
 - All issues remain eligible for review
 - Extensive references to declaration and deposition
 - Claim construction issues often dominate

Oral Hearing: Attributes of Federal Circuit Argument

- As with Federal Circuit arguments
 - Format (3-member; Question/Answer format)
 - Policy Focused
 - PTAB discretion is extensive, and boundaries are often being explored/developed
- Yet, distinct of Federal Circuit arguments:
 - PTAB remains a primary trier of fact, no deference

Oral Hearing – Attributes of District Court Trial

- As with D.Ct trials, PTAB is a trier of fact
 - Tremendous discretion
 - Without extensive post-trial procedures, Federal Circuit review looms over the proceedings
- Yet, it does not resemble a D.Ct trial for the following reasons:
 - Interplay between the judges on the panel during questioning
 - Far more likely to be technical audience with technical experience that rivals the practitioners

PTAB's Preparations for Hearing

- Early submission of demonstratives and pre-hearing conferences used to ensure that both sides have adequate opportunity to respond
 - No surprises
 - Not Perry Mason
- Was an issue actually briefed and addressed in the record?
 - PTAB limits arguments and record to scope of what has presented

Fairness

- Central premise that governs PTAB proceedings is that the PTAB retains an institutional commitment to consider everything and get it right
 - Doesn't mean that the expedited nature of the proceedings has no consequences
 - Little appetite for “gotcha” practice
 - Rather, practitioners need to consider impact of any particular request relative to PTAB's desire to have in-depth, detailed inquiry
 - Seen routinely throughout process where the PTAB asks both parties to try and work an issue out without requiring PTAB involvement

The Panel Itself

- From the Bench, expect tremendous depth both with respect to the law and the technology
- Key emphasis is ensuring that evidence cited in demonstratives was in fact relied upon in arguments

Presenting Your Arguments

- Selection of issues
 - Hearing culminates process lasting > a year
 - How many issues can you cover, compellingly?
 - Petitioner vs. Patentee
 - Panel questions
 - List of prepared questions occupied ~40% of allocated time
 - Should you include or forego issues more appropriate for appeal?

More on Presentation Strategy

- Division of Presentation?
 - Good idea? ... Bad idea?
 - If you do want to do it, how to divide? (Blurry lines?)

More on Presentation Strategy

- To serve demonstratives, or not to serve demonstratives...?
- If you use them, how much should you put in them? ... How much should you withhold?

More on Presentation Strategy

- How do you deal with tough questioning?
 - Hold your ground, but move on quickly?
 - Have strategic places where you are willing to give ground?

- In our initial 7-part webinar series titled “Challenging Patent Validity in the USPTO,” we explored details regarding several of the post grant tools, with 3 sessions dedicated to Inter Partes Review (IPR), and a final session walking through several hypotheticals, to help listeners understand how these apply to common situations.
- Audio and slides for these webinars are posted online at:
<http://fishpostgrant.com/webinars/>
- If you listen to these webinars, you will be well positioned to engage in a conversation over whether and when to use those tools and how to defend against them.

Resources

- F&R web sites:
 - Post-Grant for Practitioners: <http://fishpostgrant.com/webinars/>
 - General: <http://fishpostgrant.com/>
 - IPR: <http://fishpostgrant.com/inter-partes-review/>
 - PGR: <http://fishpostgrant.com/post-grant-review/>
 - Rules governing post-grant: <http://fishpostgrant.com/>
- USPTO sites:
 - AIA Main: http://www.uspto.gov/aia_implementation/index.jsp
 - Inter Partes: http://www.uspto.gov/aia_implementation/bpai.jsp

Questions?



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